

2 - Funds Management Processes

2.0 FUNDS MANAGEMENT PROCESSES

A strong Funds Management mechanism ensures that Federal dollars are managed properly in the operation of all Core Financial Systems and provides an acceptable level of accountability. The Antideficiency Act requires that the head of each executive agency, subject to the approval of the President, prescribe by regulation a system of administrative control not inconsistent with accounting procedures. The system shall be designed to:

1. Restrict obligations and payments from each appropriation or fund account to the lower of the amount provided in the account (31 USC 1341) or amount of the apportionment or reappropriation (31 USC 1514); and
2. Enable the head of the agency to fix responsibility for an obligation or payment exceeding the amount provided in the account or the apportionment.

The President delegated this authority to the Director of the Office of Management and Budget (OMB). OMB issues instructions on the administrative control of funds in OMB Circular A-11. The terminology in OMB Circular A-11 shall be used in the Funds Management processes.

When an appropriation bill is enacted into law, funds are not automatically made available to agencies. The Antideficiency Act requires that OMB subdivide the appropriation and any other budgetary resources. OMB uses the apportionment and sub-apportionment schedule (SF 132) to review and subdivide the appropriation. This is intended to promote prudent fiscal management by preventing agencies from spending all available resources before the end of the fiscal year.

Apportionment requests are submitted to OMB by the agencies on an SF 132, “Apportionment and Reappropriation Schedule.” OMB reviews the requests and takes action. The Standard Form (SF) 132 has two sections: The first, Budgetary Resources, details the amounts available to the agency. The second, Application of Budgetary Resources, displays how the agency intends to use the resources: Category A (quarterly); Category B (by program); and Category C (planned for obligation after the current fiscal year). Please note that Apportionments are updated throughout the year. The SF 132 is a key legal document. It represents the President’s disposition of available resources within an appropriation of fund account.

Apportionments establish legal spending limits for the appropriation. These spending limits must be reflected in the Core Financial System so that the spending limitations can be enforced systematically. Entering these spending limits into the Core Financial System can be accomplished by Budget and/or Finance personnel as defined within an agency.

The approved SF 132 becomes the basis for funds control within the agency. However, agencies can further subdivide budgetary resources to lower levels of the organization.

Prior to making these internal subdivisions, agencies typically review their planned resource situation for the upcoming year. The result is a blueprint (sometimes called “operating plan”) for use of the available resources.

The Funds Management processes provide safeguards that ensure the distribution, obligation, and payments of funds within budgetary limitations. Specifically, these processes verify the availability of:

- Allotted and suballotted funds for commitment;
- Committed, allotted, and suballotted funds for obligations; and
- Obligated, allotted and suballotted funds for payment (cash outlay).

The Funds Management processes described in this chapter are intended to detail the funds control placed on the amounts located on lines 1 thru 12 of the SF 132 and to assist agencies in complying with all applicable financial management statutes, regulations, and requirements. In addition, the steps outlined in this document provide standard processes for ensuring effective Funds Control policy.

The flowcharts and process steps for the Funds Management Processes detailed in this chapter are:

- FM 2.1 - Budgetary Authority Process
 - FM 2.1.1 - Budgetary Resources. This section describes the recording of lines 1 thru 6 of the SF 132 in the Core Financial System. Once recorded in the Core Financial System, these budgetary resource amounts are available for the recording of apportionments.
 - FM 2.1.2 - Record Application of Budgetary Resources (Apportionment). This section describes the recording of lines 8 thru 11 of the SF 132 in the Core Financial System. Once recorded in the Core Financial System, these amounts may be further sub-divided by an agency into allotments, sub-allotments and any other lower level distribution of funds.
- FM 2.2 - Funds Distribution
 - FM 2.2.1 - Allotment Distribution
 - FM 2.2.1.1 - Allotment for (Direct) Non-Anticipated, Non-Reimbursable Funding. This section addresses the allotment process for direct or non-anticipated, non-reimbursable resources. Obligations or expenditures cannot be incurred until an allotment is made by the agency.
 - FM 2.2.1.2 - Allotment for Anticipated Reimbursable Funding. This section addresses the allotment process for anticipated reimbursable funding. Obligations cannot be incurred if reimbursable work is performed on behalf of a non-federal customer until an advance is received or working capital is provided.
 - FM 2.2.1.3 - Allotment for Anticipated Non-Reimbursable Funding. This section addresses the allotment processes for anticipated non-reimbursable resources. Anticipated amounts are not available for reuse until they are actually recovered. Offsetting collections are typically credited directly to expenditure accounts where they are generally available for obligation and

outlay; however, any type of spending is prohibited unless there is cash on hand.

- FM 2.2.2 - Sub-Allotment Distribution. This section addresses the sub-allotment process for allotted resources; however, this process is not required and is optional based upon agency practice. If sub-allotments are used by an agency, obligations or expenditures cannot be incurred until a sub-allotment is made by the agency.
- FM 2.2.3 - Lower Level Distribution. This section addresses the lower level of budgetary distribution, which may be referred to as: allocations, sub-allocations, allowances, sub-allowances, or spending/operating plans. The lower level budgetary distributions are often based on program, projects, or organization/office and contribute to the administrative control of funds.
- FM 2.3 - Funds Control Process
 - FM 2.3.1 - Establishing Commitments and Obligations for Goods and Services. This section describes the procedures necessary to prepare an obligation, for acquisitions or services, which has associated prior commitment accounting.
 - FM 2.3.2 - Establishing Obligations Not Requiring Commitment. This section describes the procedures necessary to prepare an obligation for acquisitions that does not require commitment accounting.
 - FM 2.3.3 - Funds Check Prior to Obligation. This section applies to acquisitions for which commitments and obligations are used and describes the procedures taken when performing a funds check prior to obligation of funds.
 - FM 2.3.4 - Unexpired Funds Validation and Verification. This section addresses the process of validating and verifying the availability of funds for spending transactions.
 - FM 2.3.5 - Expired Funds Validation and Verification. This section addresses the process of validating and verifying the availability of expired funds for the recording of previously unrecorded obligations and/or to make legitimate update adjustments to existing obligations until the expired authority is cancelled and the expired account is closed.

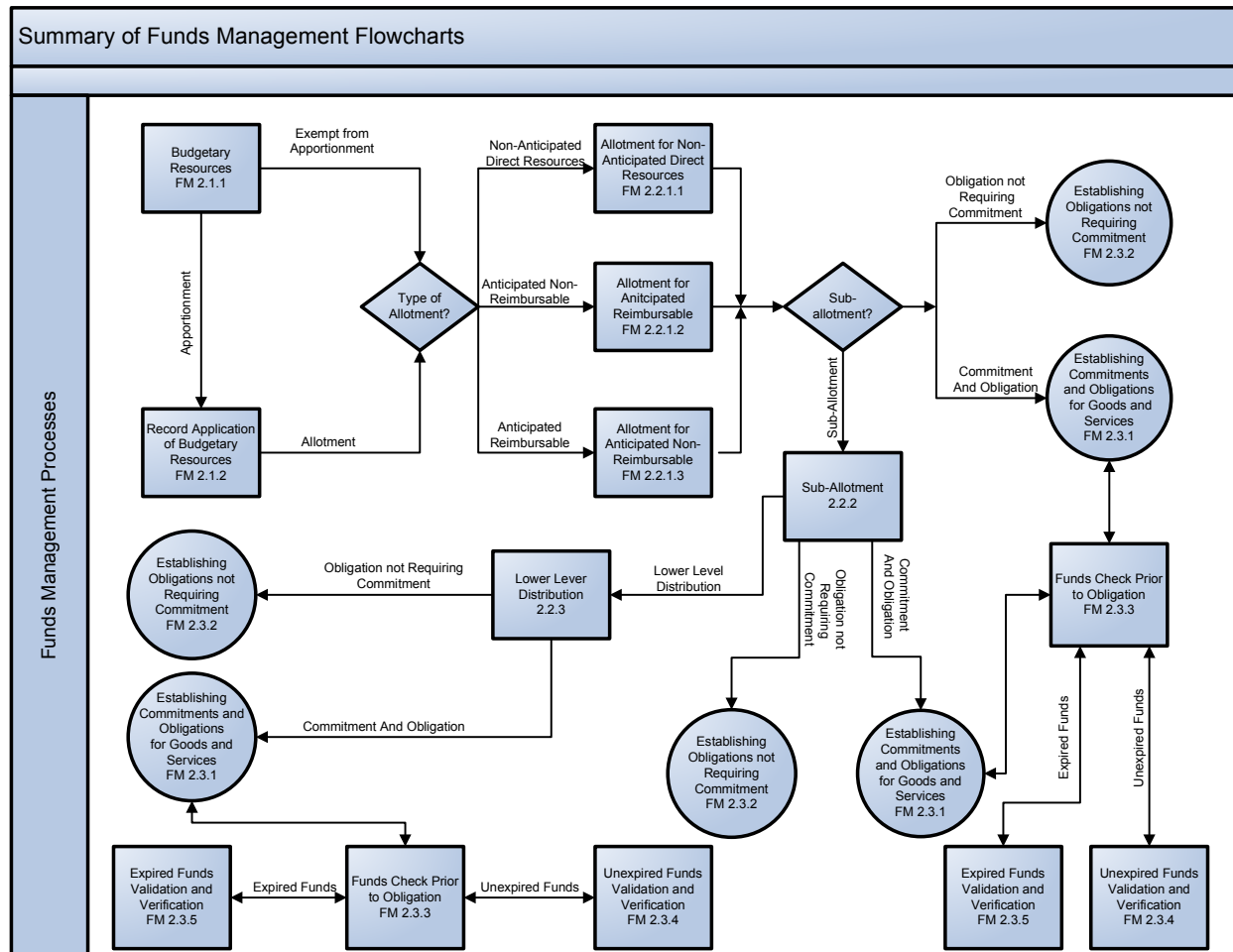
Note: The Focus Group for this effort decided that Treasury Warrants would not be included in this document, as they are, in effect, a verification of the appropriation (a Treasury FACTS II edit) and not an integral element of Funds Control.

Included in the scope of this chapter are the following:

- The Budgetary Resources (process of recording an agency's budgetary resources to support the establishment of available funding) and Funds Distribution (the process of establishing the available funds within the Core Financial System (see OMB Circular A-127 for the definition of a Core Financial System)) which are used for funds validation and verification.

- The Funds Management business process standards enforce the distribution, obligation and payment of funds within budgetary limitations as established through the funds execution processes.

The following flowchart depicts the sequence and inter-relations of the Funds Management processes:



2.1 BUDGETARY AUTHORITY PROCESS

Establishing budgetary authority is the beginning of the budget execution process. This process records an agency's budgetary resources and supports the establishment of legal budgetary limitations within the agency, including appropriation warrants, apportionments, reapportionments, transfer allocations and continuing resolutions. It also supports the establishment of funding to agencies that are not subject to apportionment.

This section documents the recording of the apportionment and reapportionment request (SF 132) information in the Core Financial System in order to establish budgetary resources and the divisions of amounts per the Apportionment Schedule.

Budgetary resources are made available as follows:

1. Apportionment of unobligated balances carried forward and available to the Treasury Appropriation Fund Symbol (TAFS). This is approved on an SF 132 from OMB.
2. Apportionment of amounts made available under an interim Continuing Resolution (CR). This approval is issued by an OMB Bulletin and may be followed subsequently by an SF 132 from OMB.
3. Apportionment of amounts made available under a regular annual appropriations act. This is automatically apportioned by authority cited in OMB Circular A-11 upon enactment and is followed by an SF 132 from OMB.

An agency's Budget Office, or the CFO in concurrence with the Budget Office, will issue official documentation that will be used to establish budgetary resources (e.g., enacted appropriations, anticipated resources, prior year recoveries) as well as apportionment divisions. This official documentation may be in the form of an actual approved SF 132, an agency internal "mock" SF 132, a CR letter, or a resources letter. The form of official documentation will be dependent upon an agency's internal policies and procedures. However, the intentional use of the 'agency internal official document' is to establish the resources and controls that support the distribution of funding in the agency's Core Financial System.

Budget Authority is recorded in the Core Financial System for multiple uses:

- To establish availability of budgetary resources for use by agency program offices to obligate and expend in support of agency missions; and
- Once the appropriate distribution has been recorded in the Core Financial System, funds control verification can be performed on any spending chain transaction, i.e., commitment, obligation and payment.

2.1.1 BUDGETARY RESOURCES

The Budgetary Resources process illustrates the recording of resources as defined on lines 1 thru 6 of the SF 132. Examples of resources recorded are: enacted appropriations; spending authority from offsetting collections; and recoveries of prior year obligations.

When agencies establish budgetary resources in their financial system, they typically employ use of an internal fund code, the agency-assigned code value for a fund. It enables the derivation of other accounting classification elements used to further classify funds. The internal fund code may be used to derive the account identification codes required for reporting externally to Treasury and OMB. The Common Government-wide Accounting Classification (CGAC) structure establishes several standard practices for segregating three types of internal funds below the Treasury Account Symbol (TAS) level:

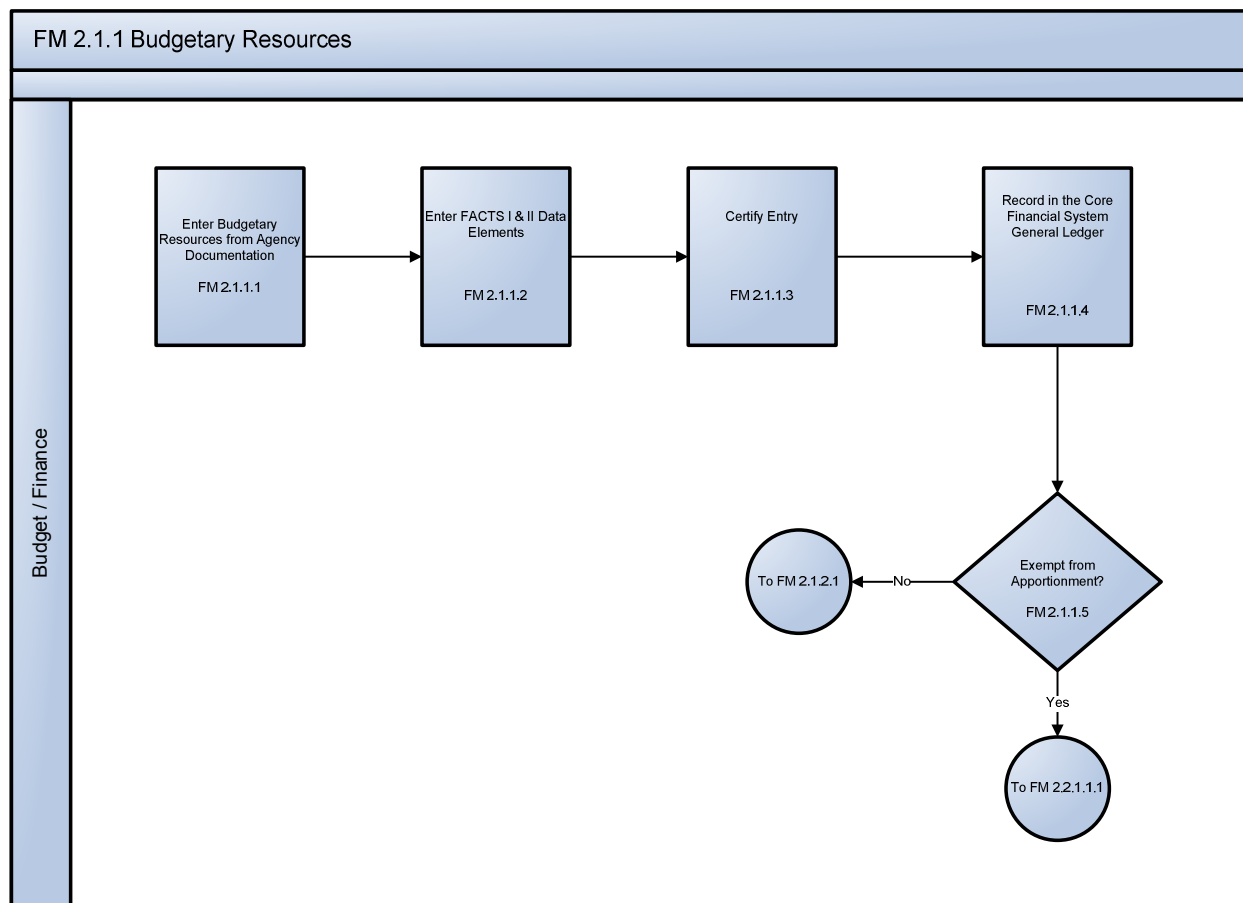
- Funds that have multiple apportionment categories;
- Funds that have both discretionary and mandatory authority; and
- Funds that have both direct and reimbursable authority.

For guidance on CGAC, see FSIO's *Federal Financial Management Standards, Common Government-wide Accounting Classification Structure*.

Once recorded in the Core Financial System, these budgetary resource amounts are then available for the recording of apportionments.

Note: “Certify” as used in this process is defined as “review and approve”.

FM 2.1.1 – Budgetary Resources Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart

The Funds Management Budgetary Resource process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.1.1.1	Enter Budgetary Resources from Agency Documentation	Enter Budgetary Resources in the Core Financial System at the United States Standard General Ledger (USSGL) level and to record FACTS II attributes to begin the chain of monitoring resources.	<p>Enter the budgetary resource breakdowns prescribed by OMB CIRCULAR A-11 for the SF 132 or official documentation (e.g., carryover, enacted appropriation, anticipated resources, and contract authority).</p> <p>Official documentation from the Budget or CFO Office may take the form of a CR letter, actual or mock SF132, resource letter or other such official agency documentation.</p>	FMC-01 FMC-03 FMC-07 FMC-08 FMC-09
FM 2.1.1.2	Enter FACTS I & II Data Elements	Enter appropriate attributes and domain values for applicable USSGL accounts as they relate to resources recorded (e.g., public law, supplemental appropriation).	<p>Only the FACTS II attributes not inherent in the internal fund code are entered.</p> <p>Appropriate edits and validation rules have been configured for current USSGL crosswalks.</p>	GLC-02 GLC-03 SMB-01
FM 2.1.1.3	Certify Entry	After budgetary resource(s) are entered into the system, approval must be performed by appropriate personnel.	This step ensures a separation of duties for review and approval of transaction prior to recording in the General Ledger.	TLE-01 TLE-02 TLE-03 TLE-04 TLE-06 TLE-07 TLE-08

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.1.1.4	Record in the Core Financial System General Ledger	After the budgetary resource(s) are entered into the system and approved by appropriate personnel, the transaction is recorded in the Core Financial System General Ledger.	<p>The budgetary resource entries are recorded using the USSGL Account Transaction Listing provided in the current Treasury Financial Manual (TFM).</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A104 To record the enactment of appropriations.</p> <p>TFM-A702 To record anticipated reimbursements.</p> <p>TFM-A138 To record estimated recoveries of prior-year obligations.</p> <p>Note: If a reversing entry is being recorded, internal checks and edits must ensure that the net amount (e.g., original amount +/- any prior adjustments) is greater than or equal to zero. Reversals can never exceed the total amount recorded for the pro forma transaction code referenced in the original transaction(s).</p>	GLB-01 GLC-01 GLC-05 GLC-07

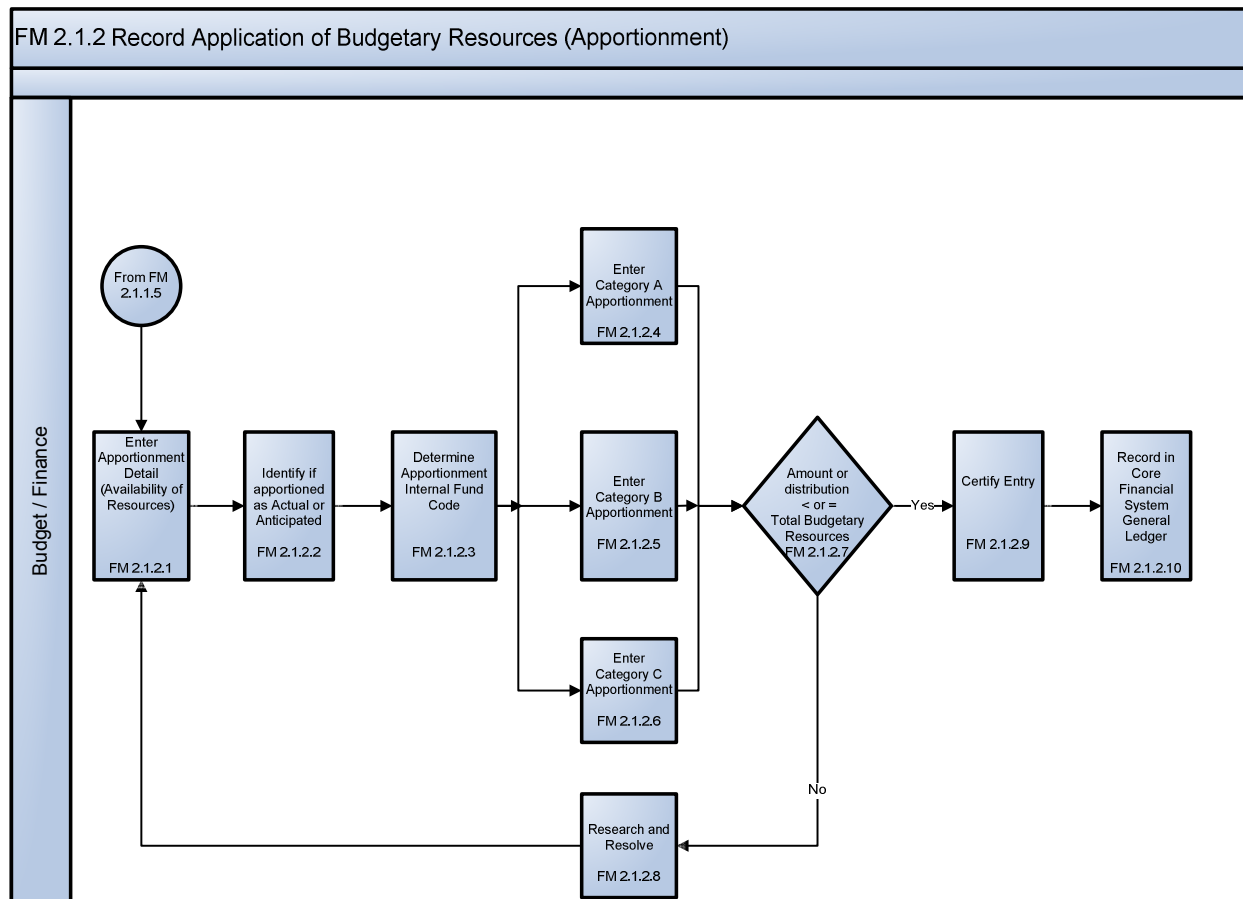
Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.1.1.5	Exempt from Apportionment?	Check to see if the budgetary resource is exempt from Apportionment.	<p>Internal agency documentation would include a list of agency funds that are exempt from Apportionment.</p> <p>Verify that this list of agency funds that are exempt from Apportionment is always consistent with OMB's list.</p>	

2.1.2 RECORD APPLICATION OF BUDGETARY RESOURCES (APPORTIONMENT)

The Apportionment process documents the recording of the amounts from lines 8 thru 11 of the SF 132, “Application of Budgetary Resources”. The apportionment divides amounts that are available for obligation by specific time periods (typically by quarters, but could be for an entire fiscal year), activities, projects, object classes or a combination thereof. The apportionment may be further subdivided by an agency into allotments, sub-allotments and any other lower level distribution of funds.

Note: “Certify” as used in this process is defined as “review and approve”.

FM 2.1.2 – Record Application of Budgetary Resources (Apportionment) Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Record Availability of Resources process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.1.2.1	Enter Apportionment Detail (Availability of Resources)	Record lines 8 thru 11 of the SF 132.	<p>The budgetary resource authority apportioned by OMB and available for allotment entries are recorded using the USSGL Account Transaction Listing provided in the current TFM.</p> <p>The anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment entries are recorded using the USSGL Account Transaction Listing provided in the current TFM.</p>	FMC-01 FMC-04 FMC-07 FMC-08 FMC-09 FMC-13
FM 2.1.2.2	Identify if apportionment as Actual or Anticipated	User identifies the resource as Actual or Anticipated. If apportionment is anticipated, check whether resource is realized yet.		
FM 2.1.2.3	Determine Apportionment Internal Fund Code	User enters the internal fund code for the apportionment. The accounting classification elements are typically derived not entered.		FMC-04 GLC-02 GLC-03
FM 2.1.2.4	Enter Category A Apportionment	Enter apportionment by fiscal quarter.	Category A apportionments are entered by fiscal quarter only with no further breakdown. Per OMB Circular A-	

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			11 instructions for section 1208, Category A apportionments distribute budgetary resources by fiscal quarter.	
FM 2.1.2.5	Enter Category B Apportionment	Enter apportionment by period.	Category B apportionments are entered by activity, beginning and end date, program, project, and object class as applicable.	SMA-03
FM 2.1.2.6	Enter Category C Apportionment	Enter apportionment to be available in future fiscal year.	Enter as available in future fiscal year. Note: OMB designates Category C as apportioned for future use.	
FM 2.1.2.7	Amount or distribution less than or equal to Total Budgetary Resources?	Is the budgetary resource less than or equal to total budgetary resources previously recorded?	Verify that this amount is less than or equal to Line 7 (Total Budgetary Resources) of the SF132. For a reversal entry, verify that the amount of the reversal does not exceed the credit balance in USSGL accounts 4510 - Apportionments/ 4590 – Apportionments Unavailable.	SMB-11 SMB-12 SMB-13 SMC-09
FM 2.1.2.8	Research and Resolve	Budget/Finance will resolve the funding issue.	Designated personnel resolve applicable funding issues in accordance with applicable rules, regulations, and agency guidelines.	SMB-16 SMC-09
FM 2.1.2.9	Certify Entry	After the budgetary resource is entered into the system, it has to be approved by	This step ensures a separation of duties for review and approval of transaction prior to	SMC-09 TLE-01 TLE-02 TLE-03

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		appropriate personnel.	recording in the General Ledger.	TLE-04 TLE-06 TLE-07 TLE-08
FM 2.1.2.10	Record in Core Financial System General Ledger	After the budgetary resource is entered into the system and approved by appropriate personnel, the transaction is recorded in the General Ledger.	<p>After the entry passes validation edits, the applicable entry is recorded.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A116 To record budgetary authority apportioned by OMB and available for allotment.</p> <p>TFM-A118 To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.</p>	GLB-01 GLC-05 GLC-07

2.2 FUNDS DISTRIBUTION

Funds distribution is the part of the budget execution cycle in which legally apportioned resources are distributed within an agency to support missions, programs, and other objectives. The process establishes multiple levels of budgetary control by allotting and sub-allotting apportioned resources for agency management.

2.2.1 ALLOTMENT DISTRIBUTION

An Allotment is an authorization within an agency (either from the agency head or some other authorized individual) to lower levels of the organization to incur obligations or make expenditures within a specified amount. An agency would make these allotments in accordance with the general apportionment requirements as stated in OMB Circular A-11. The allotment would also be within the limitations established as a part of recording the apportionment in the Core Financial System in order to comply with the Antideficiency Act, which prohibits incurring any obligation or making any expenditure in excess of an apportionment or reapportionment. This section describes the distribution of funds as a part of the allotment processes for:

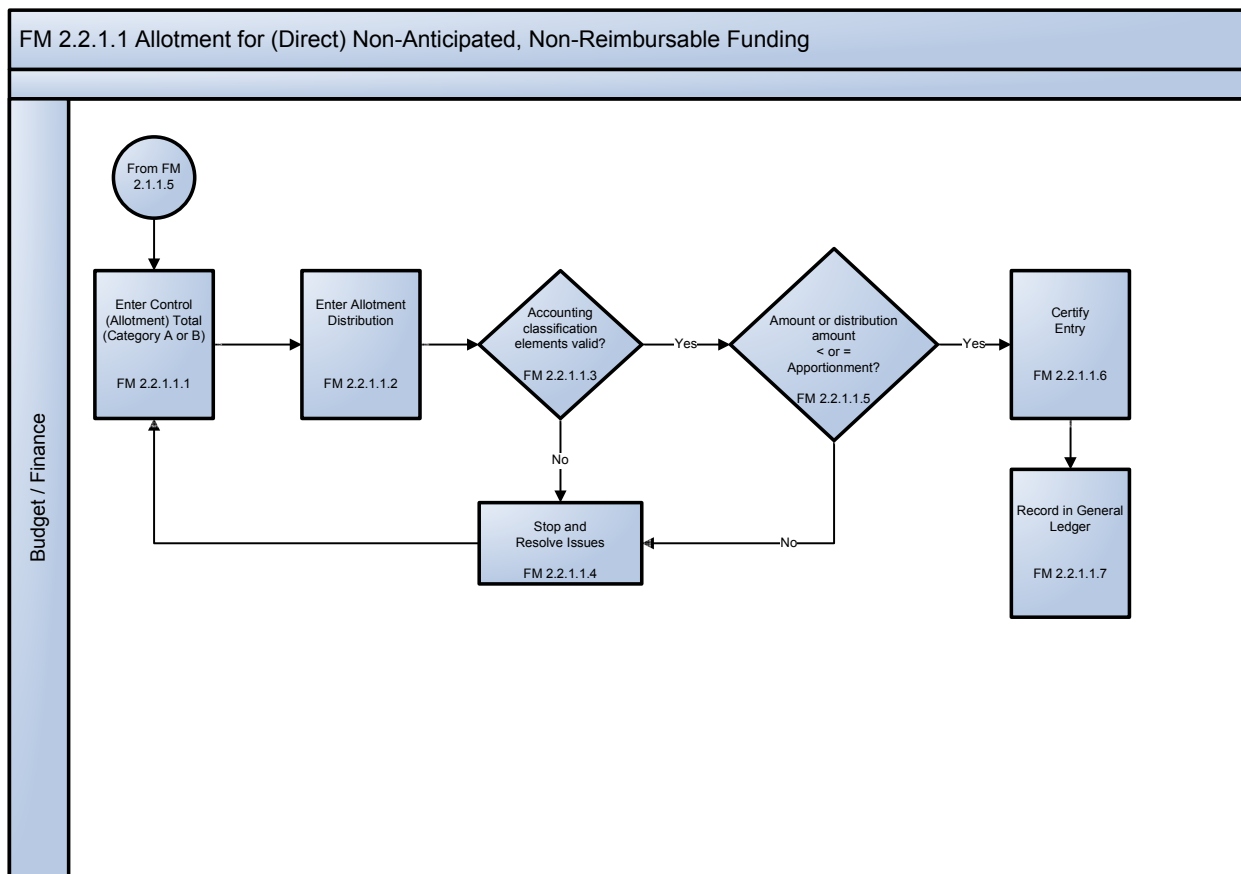
- 2.2.1.1 (Direct) Non-Anticipated, Non-Reimbursable funding;
- 2.2.1.2 Anticipated Reimbursable funding; and
- 2.2.1.3 Anticipated Non-Reimbursable funding.

2.2.1.1 Allotment for (Direct) Non-Anticipated, Non-Reimbursable Funding

Non-Anticipated, Non-Reimbursable funding refers to those resources that are directly appropriated through Congress and are prescribed in both OMB Circular A-11 and the USSGL portion of the Treasury Financial Manual. Specifically, obligations or expenditures cannot be incurred until an allotment is made by the agency. An Allotment Advice or Advice of Allotment document is the vehicle for the Program offices and/or other internal administrative organization structure of available funding.

Note: “Certify” as used in this process is defined as “review and approve”.

FM 2.2.1.1 – Allotment for (Direct) Non-Anticipated, Non-Reimbursable Funding Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Allotment for Direct Resources process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.2.1.1.1	Enter Control (Allotment) Total (Category A or B)	Use official requests (i.e., allotment advice) to create allotment and enter control (allotment) total. The control total is often at the header level of the record and is established to validate the line level entries.	Record control total, then distribute as necessary.	SMB-25
FM 2.2.1.1.2	Enter Allotment Distribution	Enter Allotment to be distributed.		FMD-01
FM 2.2.1.1.3	Accounting classification elements valid?	Reference appropriate accounting classification elements.	Verify combinations of accounting classification elements are valid and active.	CGAC Compliance SMA-03 SMB-11 SMB-12 SMB-13 SMB-30 SMC-09
FM 2.2.1.1.4	Stop and Resolve Issues	If the accounting classification elements are not valid, Budget/Finance will resolve the issue.	Designated personnel resolve applicable issues in accordance with applicable rules, regulations, and agency guidelines.	SMB-16 SMC-09
FM 2.2.1.1.5	Amount or Distribution less than or equal to the Apportionment?	Determine if the amount or distribution is less than or equal to the Apportionment. This is the Antideficiency check.	Agencies are required to control funds at a detail level (line 8 on SF 132).	
FM 2.2.1.1.6	Certify Entry	After the allotment(s) are entered into the system, it has to be approved by appropriate personnel.	This step ensures a separation of duties for review and approval of transaction prior to posting to the General Ledger.	SMC-09 TLE-01 TLE-02 TLE-03 TLE-04 TLE-06 TLE-07 TLE-08

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.2.1.1.7	Record in General Ledger	After the budgetary resource is entered into the system and approved by appropriate personnel, the transaction is recorded in the General Ledger.	<p>After the entry passes validation edits, the applicable entry is recorded.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A116 To record budgetary authority apportioned by OMB and available for allotment.</p> <p>TFM-A118 To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.</p>	GLB-01 GLC-05 GLC-07

2.2.1.2 ALLOTMENT FOR ANTICIPATED REIMBURSABLE FUNDING

The recording of reimbursable resources is prescribed in both OMB Circular A-11 and the USSGL portion of the Treasury Financial Manual. Specifically, obligations cannot be incurred if reimbursable work is performed on behalf of a non-federal customer until an advance is received or working capital is provided by law. An anticipated reimbursable is recognized by the performing agency (seller) when a future order from a buying agency is reasonably expected. The basis of an anticipated reimbursable is the seller's reasonable expectation rather than the existence of a valid order at the time the buyer's expectation is realized.

After a valid order is received from the Federal buying agency (customer), the performing agency (seller) may incur obligations against the order if the order is valid—i.e., the performing agency receives a signed agreement from the Federal ordering agency and the Federal ordering agency has recorded an obligation in the amount of the order against its budgetary resources in the form of an undelivered order in the ordering agency's account.

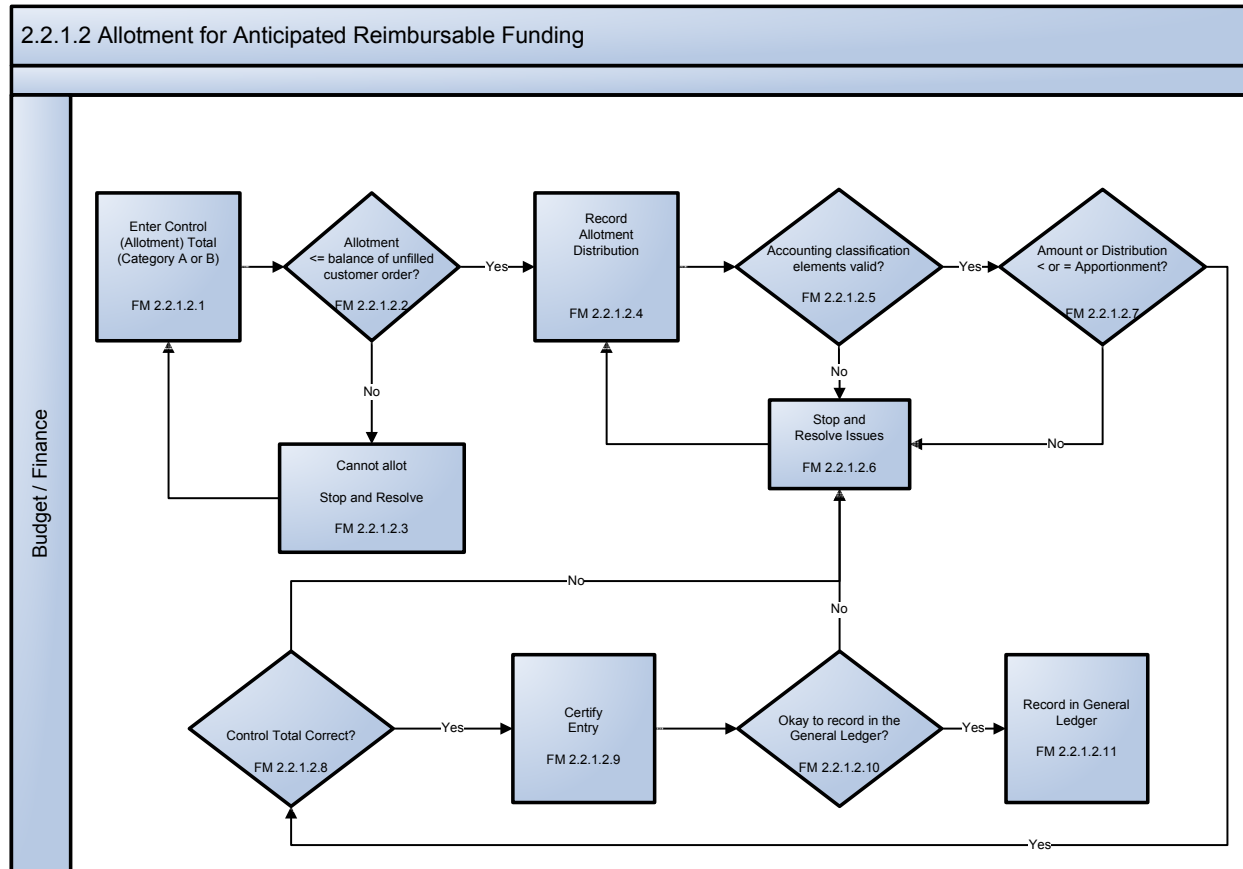
The Allotment for Anticipated Reimbursable Funding process flow and corresponding step descriptions and business rules incorporate best business practices in order to verify and validate the following:

- Allotments for reimbursable activity should not be made unless appropriate obligation authority has been received, i.e., an accepted order or agreement from the Federal customer(s); and
- Total reimbursable allotments, in accounting terms, should not be greater than the total of unfilled customer orders recorded during the fiscal year to date (e.g., debits in USSGL accounts 4221 – Unfilled Customer Orders without Advance, 4222 – Unfilled Customer Orders with Advance, 4251 – Reimbursements and Other Income Earned – Receivable, and Reimbursements and Other Income Earned - Collected).

An Allotment Advice or Advice of Allotment document is the vehicle for informing the Program offices and/or other internal administrative organization structure of available funding.

Note: “Certify” as used in this process is defined as “review and approve”.

FM 2.2.1.2 – Allotment for Anticipated Reimbursable Funding Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Allotment for Anticipated Reimbursable process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.2.1.2.1	Enter Control (Allotment) Total (Category A or B)	Enter control total for Allotment Advice. The control total is often at the header level of the record and is established to validate the line level entries.	Enter control total, then distribute as necessary.	SMB-25
FM 2.2.1.2.2	Allotment less than or equal to the balance of unfilled customer order?	Determine if the allotment is less than or equal to the balance of the unfilled customer order.	For anticipated reimbursable amounts, an agency cannot obligate greater than the balance of the accepted or unfilled customer orders.	FMC-10 FMC-12 SMB-11 SMB-12 SMB-13 SMC-09
FM 2.2.1.2.3	Record Allotment Distribution	Record the Allotment distribution per the advice document.		FMD-01
FM 2.2.1.2.4	Cannot Allot. Stop and Resolve	If the allotment is greater than the balance of the unfilled customer order, Budget/Finance will resolve the funding issue.	Designated personnel resolve applicable funding issues in accordance with applicable rules, regulations, and agency guidelines (e.g., FAR, agency policies and procedures).	FMD-05 SMB-16 SMC-09
FM 2.2.1.2.5	Accounting classification elements valid?	Reference appropriate accounting classification elements.	Verify combinations of accounting classification elements are valid and active.	CGAC Compliance SMA-03 SMB-11 SMB-12 SMB-13 SMB-30 SMC-09
FM 2.2.1.2.6	Stop and Resolve Issues	If the accounting classification elements are not valid or active, Budget/Finance will resolve the issue.	Designated personnel resolve applicable issues in accordance with applicable rules, regulations, and agency guidelines (e.g., FAR agency	SMA-05 SMA-06 SMB-16 SMC-09

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		<p>If the amount is greater than or equal to the apportionment, Budget/Finance will resolve the issue.</p> <p>If the allotment distribution is greater than the control total Budget/Finance will resolve the issue.</p> <p>If the entry is not ready to be recorded in the General Ledger, Budget/Finance will resolve the issue.</p>	<p>policies and procedures).</p> <p>Allotment distribution cannot exceed the control total.</p>	
FM 2.2.1.2.7	Amount or Distribution less than or equal to the Apportionment?	Determine if the amount or distribution is less than or equal to the Apportionment. This is the Antideficiency check.	Ensure that the allotment does not exceed the apportionment as recorded in Step FM 2.1.1.4.	
FM 2.2.1.2.8	Control Total Correct?	Determine if the allotment distribution is equal to the control total. This is the entry approval step where the (1) accounting period is checked to see if it is open or closed, (2) the accounting classification elements are revalidated and (3) the control total is checked.	Allotment distribution cannot exceed the control total (e.g., all lines of distribution are added together to ensure they equal the control total).	SMB-25
FM 2.2.1.2.9	Certify Entry	After the budgetary resource is entered into the system, it has to be approved by appropriate personnel.	This step ensures a separation of duties for review and approval of transaction prior to recording in the General Ledger.	TLE-01 TLE-02 TLE-03 TLE-04 TLE-06 TLE-07

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
				TLE-08
FM 2.2.1.2.10	Okay to record in the General Ledger?	Has the entry been reviewed and approved by the appropriate personnel?	This step is to verify that the review and approval of the transaction prior to recording in the General Ledger has taken place.	SMC-09
FM 2.2.1.2.11	Record in General Ledger	After the budgetary resource is entered into the system and approved by appropriate personnel, the transaction is recorded in the General Ledger.	<p>The allotment entries are recorded using the USSGL Account Transaction Listing provided in the current TFM.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A120 To record the allotment of authority.</p> <p>TFM-A122 To record the realization of previously anticipated and apportioned authority for programs subject to apportionment.</p>	GLB-01 GLC-05 GLC-07

2.2.1.3 ALLOTMENT FOR ANTICIPATED NON-REIMBURSABLE FUNDING

The Allotment for Anticipated Non-Reimbursable Funding process addresses resources that are either 1) Anticipated Recoveries of Prior Year Obligations or 2) Spending authority from offsetting collections. Per Appendix H of OMB Circular A-11 and the USSGL Budgetary Accounting Guide, anticipated amounts are not available for reuse until they are actually recovered.

Anticipated Recoveries of Prior Year Obligations

Estimated amounts of anticipated recoveries, from either a Federal or non-federal source are recorded as an anticipated budgetary resource and apportioned on the SF 132. However, OMB Circular A-11 and the TFM prohibit any type of spending unless there are actual resources, i.e., actual recoveries.

In order to ensure proper internal controls and prevent Antideficiency Act violations, it is essential to verify and validate that the total amount of allotments from anticipated recoveries does not exceed the total of actual recoveries realized to date.

Offsetting Collections

Offsetting collections are typically credited directly to expenditure accounts where they are generally available for obligation and outlay. However, OMB Circular A-11 and the TFM prohibit any type of spending unless there are actual resources or for offsetting collections – cash on hand.

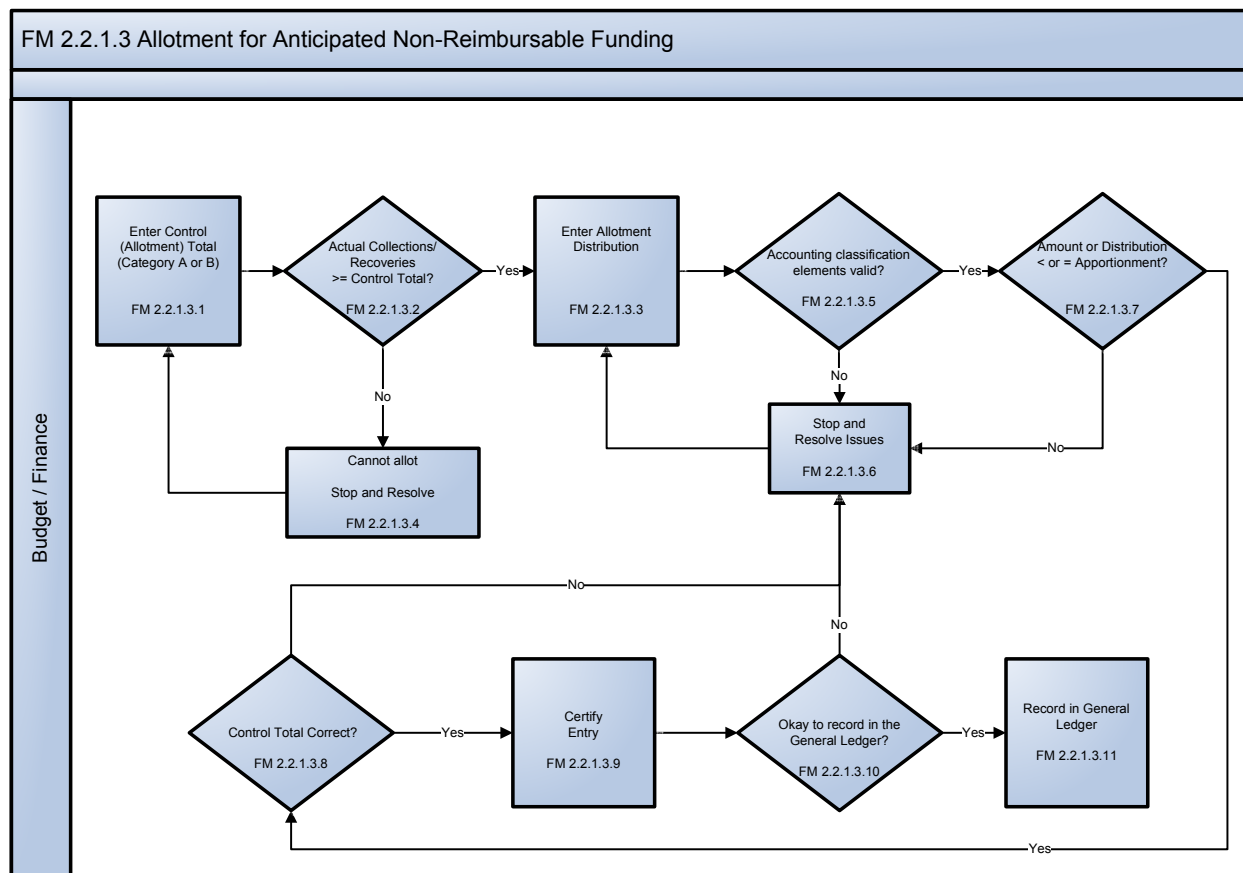
Anticipated collections, from either a Federal or non-federal source, are recorded as an anticipated budgetary resource and apportioned on the SF 132. Per OMB Circular A-11, this would be: (1) offsetting collections in a credit program or liquidating account, or (2) offsetting collections from (a) asset sales, (b) interest received on Federal securities, (c) compulsory collections for the public such as sales taxes, user charges, customs duties, license fees, (d) intergovernmental expenditure transfers with no benefit for the paying account, (e) donations, or (f) refunds.

In order to ensure proper internal controls and prevent Antideficiency Act violations, it is essential to verify and validate that the total amount of allotments from anticipated recoveries does not exceed the total of actual recoveries realized to date (e.g., USSGL accounts 4260 – Actual Collections of Government-Type Fees and 4261 – Actual Collections of Business Type Fees).

An Allotment Advice or Advice of Allotment document is the vehicle for informing the Program offices and/or other internal administrative organization structure of available funding.

Note: “Certify” as used in this process is defined as “review and approve”.

FM 2.2.1.3 – Allotment for Anticipated Non-Reimbursable Funding Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Allotment for Anticipated Non-Reimbursable process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.2.1.3.1	Enter Control (Allotment) Total (Category A or B)	<p>Verify realization of anticipated resources.</p> <p>Enter Control (Allotment) Total from the Administrative, Budget and/or Program Office.</p> <p>The control total is often at the header level of the record and is established to validate the line level entries.</p>	<p>If obligation is classified as Direct then this is allotment total is for anticipated collections or recoveries.</p> <p>Enter control total, then distribute as necessary.</p>	SMB-25
FM 2.2.1.3.2	Actual Collections/ Recoveries greater than or equal to the Control Total?	Determine if the balance of actual collections/recoveries is greater than or equal to the control total.	If the resource is anticipated, verify that actuals (either recoveries or collections) have been recorded for the fiscal year.	SMB-11 SMB-12 SMB-13 SMC-09
FM 2.2.1.3.3	Enter Allotment Distribution	If the anticipated balance is less than the actual balance of the collection or recovery, then record the allotment.		FMD-01
FM 2.2.1.3.4	Cannot Allot. Stop and Resolve	If the anticipated balance is greater than the actual balance of the collection or recovery, Budget/Finance will resolve the funding issue.	Designated personnel resolve applicable funding issues in accordance with applicable rules, regulations, and agency guidelines.	FMD-05 SMB-16 SMC-09
FM 2.2.1.3.5	Accounting classification elements valid?	Reference appropriate accounting classification elements.	Verify combinations of accounting classification elements are valid or active.	CGAC Compliance SMA-03 SMB-11 SMB-12 SMB-13

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
				SMB-30 SMC-09
FM 2.2.1.3.6	Stop and Resolve Issues	<p>If the accounting classification elements are not valid or active, Budget/Finance will resolve the issue.</p> <p>If the amount is greater than or equal to the apportionment, Budget/Finance will resolve the issue.</p> <p>If the allotment distribution is greater than the control total Budget/Finance will resolve the issue.</p> <p>If the entry is not ready to be recorded in the General Ledger, Budget/Finance will resolve the issue.</p>	Designated personnel resolve applicable funding issues in accordance with applicable rules, regulations, and agency guidelines (e.g., FAR, agency policies and procedures).	SMA-05 SMA-06 SMB-16 SMC-09
FM 2.2.1.3.7	Amount or Distribution less than or equal to the Apportionment?	Determine if the amount or distribution is less than or equal to the apportionment. This is the Antideficiency check.	Ensure that the allotment does not exceed the apportionment as recorded in step FM 2.1.1.4.	
FM 2.2.1.3.8	Control Total Correct?	Determine if the allotment distribution is equal to the control total. This is the entry approval step where the (1) accounting period is checked to see if it is open or closed, (2) the accounting classification elements are revalidated, and (3)	Allotment distribution cannot exceed the control total (e.g., all lines of distribution are added together to ensure they equal the control total).	SMB-25

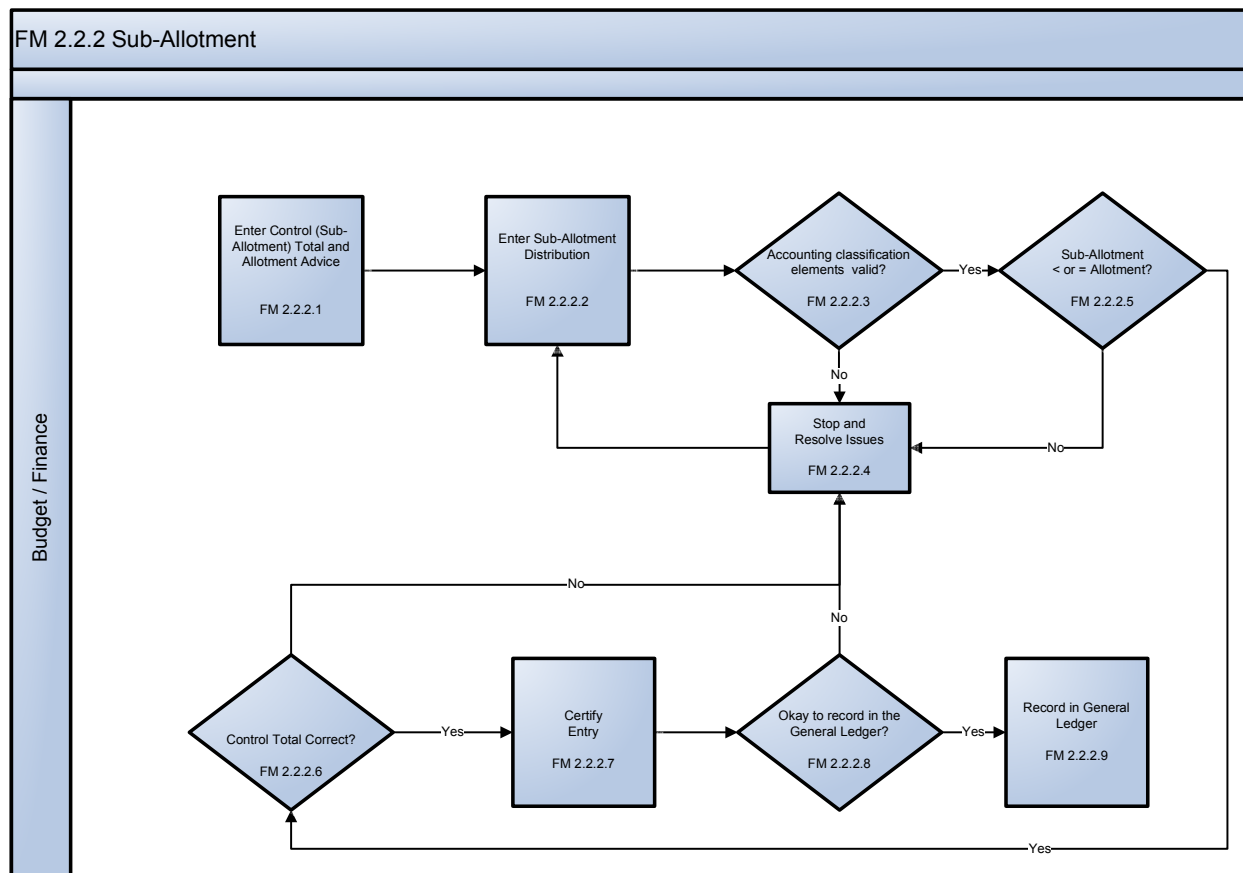
Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		the control total is checked.		
FM 2.2.1.3.9	Certify Entry	After the budgetary resource is entered into the system, the transaction has to be approved by appropriate personnel.	This step ensures a separation of duties for review and approval of transaction prior to posting to the General Ledger.	TLE-01 TLE-02 TLE-03 TLE-04 TLE-06 TLE-07 TLE-08
FM 2.2.1.3.10	Okay to record in the General Ledger?	Has the entry been reviewed and approved by the appropriate personnel?	This step is to verify that the review and approval of the transaction prior to recording in the General Ledger has taken place.	SMC-09
FM 2.2.1.3.11	Record in General Ledger	After the budgetary resource is entered into the system and approved by appropriate personnel, the transaction is recorded in the General Ledger.	<p>After the entry passes validation edits, the applicable entry is recorded.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A116 To record budgetary authority apportioned by OMB and available for allotment.</p> <p>TFM-A118 To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.</p>	GLB-01 GLC-05 GLC-07

2.2.2 SUB-ALLOTMENT DISTRIBUTION

Recording sub-allotted resources is prescribed in both OMB Circular A-11 and the USSGL portion of the Treasury Financial Manual as a further agency sub-division of funds and is an optional step based upon agency business practices. Specifically, obligations or expenditures cannot be incurred until an allotment or sub-allotment is made by the agency. An Allotment Advice or Advice of Allotment document is the vehicle for informing the Program offices and/or other internal administrative organization structure of available funding.

Note: “Certify” as used in this process is defined as “review and approve”.

FM 2.2.2– Sub-Allotment Distribution Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Sub-Allotment process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.2.2.1	Enter Control (Sub-Allotment) Total and Allotment Advice	<p>Enter control (Sub-Allotment) total from the Administrative, Budget and /or Program Office.</p> <p>The control total is often at the header level of the record and is established to validate the line level entries.</p>	<p>Establish amount of sub-allotment appending a unique sub-allotment identifier to an allotment advice.</p> <p>Total of all distribution on this sub-allotment must not exceed control total.</p> <p>Overall sub-allotments cannot exceed allotment.</p>	SMB-25
FM 2.2.2.2	Enter Sub-Allotment Distribution	<p>Official requests (i.e., appropriate allotment advice) create sub-allotment.</p> <p>Enter sub-allotment amounts for categories to be control.</p>	Based upon allotment pools from referenced allotment advice (i.e., second level of the organization)	FMD-01 FMD-03
FM 2.2.2.3	Accounting classification elements valid?	Reference appropriate accounting classification elements.	Verify combinations of accounting classification elements are valid and active.	CGAC Compliance SMA-03 SMB-11 SMB-12 SMB-13 SMB-30 SMC-09
FM 2.2.2.4	Stop and Resolve Issues	<p>If the accounting classification elements not valid, Budget/Finance must resolve the issue.</p> <p>If the amount is greater than or equal to the Allotment, Budget/Finance must resolve the issue.</p>	Designated personnel resolve applicable funding issues in accordance with applicable rules, regulations, and agency guidelines (e.g., FAR, agency policies and procedures)	SMA-05 SMA-06 FMD-05 SMB-16 SMC-09

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		<p>If the Allotment distribution does not equal the control total, Budget/Finance must resolve the issue.</p> <p>Determined that the entry is not ready to be recorded in the General Ledger.</p>		
FM 2.2.2.5	Sub-Allotment less than or equal to the Allotment?	Determine if the sub-allotment is less than or equal to the referenced allotment advice. This is the Antideficiency check.	Ensure that this sub-allotment and other sub-allotments do not exceed the allotment.	
FM 2.2.2.6	Control Total Correct?	Determine if the allotment distribution is equal to the control total. This is the entry approval step where the (1) accounting period is checked to see if it is open or closed, (2) the accounting classification elements are revalidated, and (3) the control total is checked.	Allotment distribution cannot exceed the control total (e.g., all lines of distribution are added together to ensure they equal the control total).	SMB-25
FM 2.2.2.7	Certify Entry	After the sub-allotment(s) are entered into the system, the transaction must be approved by appropriate personnel.	This step ensures a separation of duties for review and approval of transaction prior to recording in the General Ledger.	TLE-01 TLE-02 TLE-03 TLE-04 TLE-06 TLE-07 TLE-08
FM 2.2.2.8	Okay to record in the General Ledger?	Determine if the entry has been reviewed and approved by the appropriate personnel.	This step is to verify that the review and approval of the transaction prior to recording in the General Ledger has	SMC-09

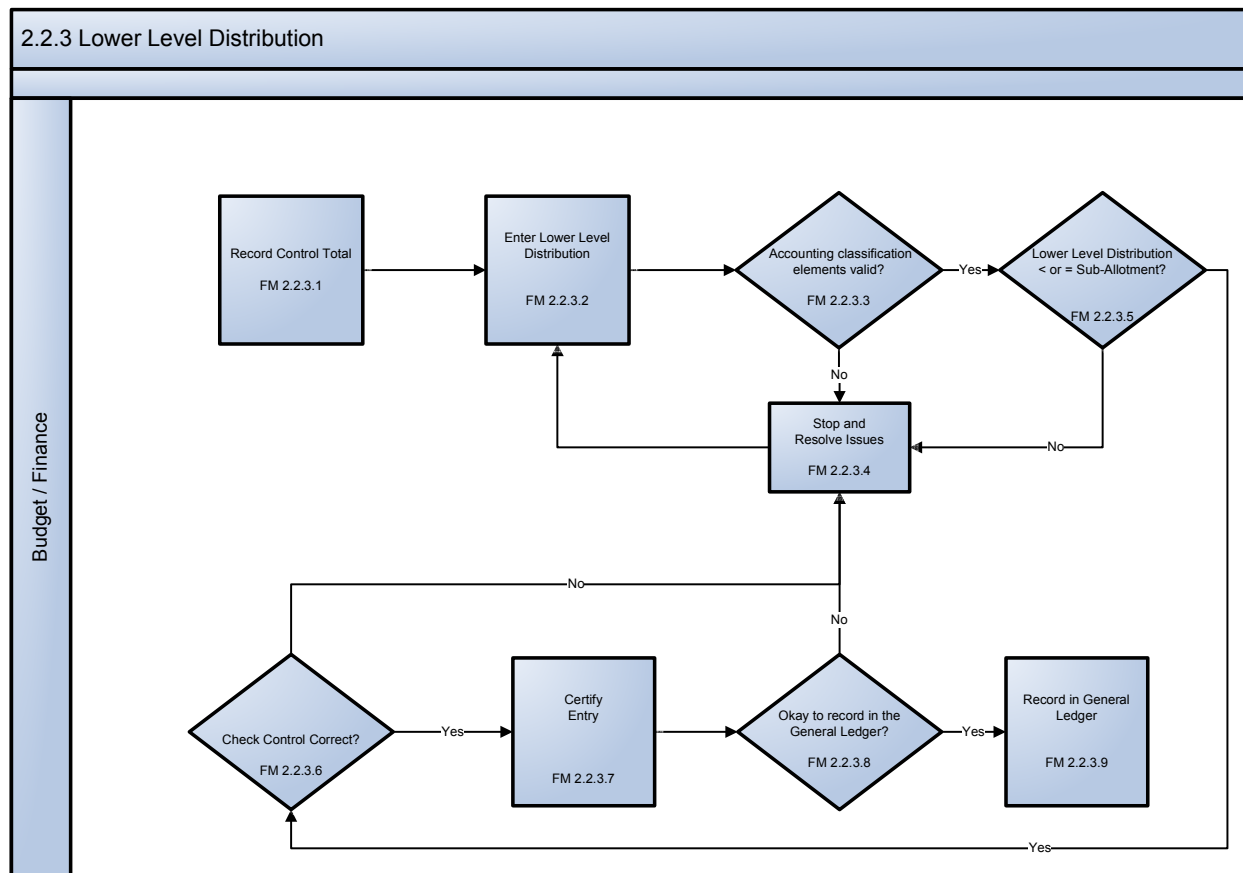
Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			taken place.	
FM 2.2.2.9	Record in General Ledger	After the sub-allotment(s) are certified, the transaction is recorded in the General Ledger.	<p>After the entry passes validation edits, the applicable entry is recorded.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A116 To record budgetary authority apportioned by OMB and available for allotment.</p> <p>TFM-A118 To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.</p> <p>Based on system configuration, the sub-allotment can be used for Funds Control.</p> <p>Note: This entry would be a reclassification of a higher level accounting classification line to a lower level accounting classification line in USSGL account 4610 – Allotments – Realized Resources. .</p>	GLB-01 GLC-05 GLC-07

2.2.3 LOWER LEVEL DISTRIBUTION

The use of Lower Level Distribution processes allows agencies to maintain tighter administrative controls over obligations as prescribed by the Antideficiency Act. These lower levels of budgetary distribution, which are referred to as allocations, sub-allocations, allowances, sub-allowances, and spending/operating plans, are often based on program, projects, or organization/office. The recording of lower level distributions of resources is prescribed in an agency's policies and regulations for Funds Control.

Note: "Certify" as used in this process is defined as "review and approve".

FM 2.2.3 – Lower Level Distribution Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Lower Level Distribution process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.2.3.1	Record Control Total	<p>Enter control total from the Administrative, Budget and/or Program Office. This process should start with the allotment posting entries.</p> <p>The control total is often at the header level of the record and is established to validate the line level entries.</p>	Enter control total, then distribute to lower levels as necessary.	FMD-01 SMB-25
FM 2.2.3.2	Record Lower Level Distribution	Official requests (i.e., appropriate advice) create a lower level distribution.	The amount recorded is based upon allotment pools from referenced lower level distribution advice (i.e., second level of organization).	FMD-01 FMD-03
FM 2.2.3.3	Accounting classification elements valid?	Reference appropriate accounting classification elements.	Verify combinations of accounting classification elements are valid and active.	CGAC Compliance SMA-03 SMB-11 SMB-12 SMB-13 SMB-30 SMC-09
FM 2.2.3.4	Stop and Resolve Issues	<p>If the accounting classification elements are not valid, the Business Unit must resolve the issue.</p> <p>If the amount is greater than or equal to the Sub-Allotment, Budget/Finance must resolve the issue.</p> <p>If allotment</p>	Designated personnel resolve applicable issues in accordance with applicable rules, regulations, and agency guidelines (e.g., FAR, agency policies and procedures).	SMA-05 SMA-06 FMD-05 SMB-16 SMC-09

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		<p>distribution does not equal the control total, Budget/Finance must resolve the issue.</p> <p>If it is determined that the entry is not ready to be recorded in the General Ledger, Budget/Finance must resolve the issue.</p>		
FM 2.2.3.5	Lower Level Distribution less than or equal to the Sub-Allotment?	Determine if the lower level distribution amount is less than or equal to the sub-allotment. This is the Antideficiency check.	Ensure that this lower level distribution and other allowances do not exceed sub-allotment.	
FM 2.2.3.6	Control Total Correct?	Determine if the lower level distribution is equal to the control total. This is the entry approval step where the (1) accounting period is checked to see if it is open or closed, (2) the accounting classification elements are revalidated, and (3) the control total is checked.	Lower level distribution cannot exceed the control total (e.g., all lines of distribution are added together to ensure they equal the control total).	SMB-25
FM 2.2.3.7	Certify Entry	After the lower level distribution(s) are entered into the system, it has to be approved by appropriate personnel.	This step ensures a separation of duties for review and approval of transactions prior to recording in the General Ledger.	TLE-01 TLE-02 TLE-03 TLE-04 TLE-06 TLE-07 TLE-08
FM 2.2.3.8	Okay to record in the General Ledger?	Determine if the entry has been reviewed and approved by the appropriate personnel.	This step is to verify that the review and approval of the transaction prior to recording in the	SMC-09

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			General Ledger has taken place.	
FM 2.2.3.9	Record in General Ledger	After the lower level distribution(s) are certified, the transaction is recorded in the General Ledger.	<p>After the entry passes validation edits, the applicable entry is recorded.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-A116 To record budgetary authority apportioned by OMB and available for allotment.</p> <p>TFM-A118 To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.</p> <p>Based on system configuration, the sub-allotment can be used for Funds Management.</p>	GLB-01 GLC-05 GLC-07

2.3 FUNDS CONTROL PROCESS

The funds control process validates and verifies the availability of funds for spending transactions, (e.g., commitments, obligations and expenditures). The requisition document from the agency's acquisition system will initiate creation of a commitment in the agency's financial system. Although OMB Circular A-11 addresses the authority to incur obligations and expenditures (the outlay of the obligation), a commitment is an "administrative reservation of allotted funds in anticipation of an obligation" and therefore does draw down on fund balances, similar to obligations and expenditures. However, an agency is responsible for keeping appropriate fund balances, as well as the balances for commitments, obligations and expenditures, to ensure accurate and timely verification and reporting of available funding.

OMB Circular A-11, Appendix H – Checklist For Fund Control Regulations stipulates that the following steps be addressed in an agency's policy that states the regulations under which basic fund control principles and concepts will be put into operation:

- Establish a policy with regard to the administrative control of funds;
- Prescribe a system for positive administrative control of funds designed to restrict obligations and expenditures (disbursements) to the amount available in each appropriation or fund account;
- Restrict both obligations and expenditures from each appropriation or fund account to the lower of the amount of apportionments made by OMB or the amount available for obligation and/or expenditure in the appropriation or fund account;
- Enable the head of your agency to identify the person responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reapportionment, the allotment or sub-allotments made by the agency, any statutory limitations, and any other administrative subdivision of funds made by the agency; and
- Provide procedures for dealing with violations of the Antideficiency Act as well as violations of other administrative subdivision of funds that are not violations of the Antideficiency Act. An agency is responsible for establishing a policy for administrative control of Funds.

Please see OMB Circular A-11, Appendix H – Checklist for Fund Control Regulations for additional guidance.

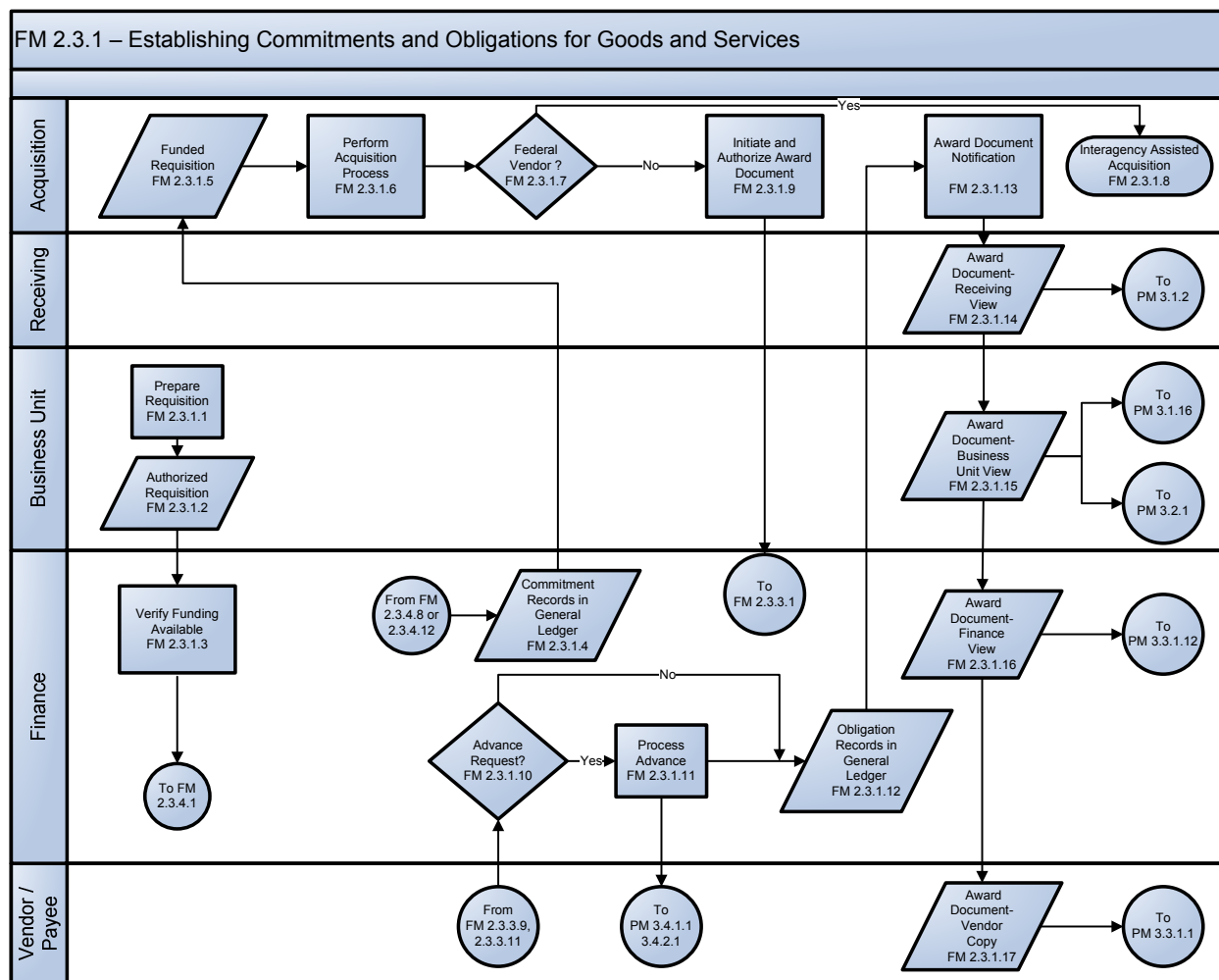
Note: In addition, the agency also must establish the level at which funds management will be verified and validated, e.g., once allotments and any lower level distributions of funding have been completed, the active accounting classification elements at which available funding will be checked must be established both as a part of the current year's funding internal controls and in the Core Financial System to enable proper editing.

2.3.1 ESTABLISHING COMMITMENTS AND OBLIGATIONS FOR GOODS AND SERVICES

The establishment of commitments and obligations for goods and services result in outputs to the accounts payable and invoicing processes. The requisition document from the agency's acquisition system will initiate creation of a commitment in the agency's financial system. Vendor maintenance that may be associated with requisitions, commitments, and obligations is not within the scope of this chapter.

The steps contained in the flowchart below describe the procedures necessary to prepare an obligation that has a prior commitment. Please note that the "Verify Funding Available" step included in the flowchart is the trigger point for the Funds Validation and Verification flows (2.3.4 and 2.3.5).

FM 2.3.1 – Establishing Commitments and Obligations for Goods and Services Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Funds Management process steps Establish Commitments and Obligations for goods and services are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.1.1	Prepare Requisition	Personnel authorized by the Business Unit prepare a requisition for purchase of goods or services to fulfill a bona fide need for acquisition.	<p>Authorized personnel who are designated as requisitioners should be the only personnel assigned authority within the system to initiate a requisition.</p> <p>This designated requisition personnel enters required information on the requisition including the following:</p> <ul style="list-style-type: none"> • Suggested or recommended vendors, as applicable (or a justification for a specific vendor) • When the goods or services are needed • For services, the necessary period of performance • An estimate of the cost to procure the goods or services • Appropriate accounting classification elements • Point of contact information for the agency official(s) ordering and/or receiving the goods or services 	<p>CGAC Compliance</p> <p>FME-19</p>
FM 2.3.1.2	Authorized Requisition	<p>The requisition is reviewed and validated by a designated official.</p> <p>The output is an authorized requisition.</p>	<p>The requisition is reviewed to ensure the data entered matches the requisition supporting documentation.</p> <p>This designated requisition personnel signs the form (preferably electronically) to authorize the request.</p> <p>An agency may define certain types and/or amounts of acquisition requests (e.g., property, information technology), for which the</p>	TLE-03

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			<p>requisition must be authorized by an additional person or persons with applicable supervisory or managerial authority.</p> <p>Personnel with the appropriate authority must review the accounting classification elements, including the Treasury Account Symbol and Business Event Type Code (TAS-BETC).</p> <p>Capital assets should be identified during the requisition phase of the Payment Management chapter.</p> <p>A manager with funding authority reviews and electronically authorizes the commitment of funds for the requisition. This occurs as part of step FM 2.3.1.3, "Verify Funding Available"</p>	
FM 2.3.1.3	Verify Funding Available	The Core Financial System (Core Financial System) checks whether funding is available to commit funds from applicable budgetary resources. This process is executed by performing the applicable steps in FM 2.3.4 (Unexpired Funds Validation and Verification) as referenced on the flowchart.	The system certifies availability of required funding prior to committing budgetary resources.	FME-01 SMB-11 SMB-12 SMB-13 SMC-09
FM 2.3.1.4	Commitment Records in General Ledger	After the requisition is entered into the system and approved by appropriate personnel, funds are checked and a	<p>The entries are recorded in the General Ledger using the USSGL Account Transaction Listing provided in the current TFM.</p> <p>Examples include, but are not</p>	FME-02 FME-03 FME-08 FME-12 GLB-01 GLC-01

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		commitment transaction is recorded in the General Ledger.	<p>limited to, the following transaction codes from the current TFM:</p> <p>TFM-B302 To record a commitment of unobligated amounts in programs subject to apportionment.</p> <p>TFM-B304 To record a commitment of unobligated balances in programs exempt from apportionment.</p>	GLC-05 GLC-06
FM 2.3.1.5	Funded Requisition	The funded requisition is automatically routed to the Acquisition Office.	<p>Acquisition Office officials who have completed standardized training programs are certified to act as purchasing agents on behalf of the agency and have been granted access to the agency's Acquisition System. These qualified Acquisition officials may be referred to as a Contracting Officer's Technical Representative (COTR) or a Contracting Officer's Representative (COR).</p> <p>Upon receipt of a requisition, the Acquisition official reviews it to determine whether it has been appropriately completed and authorized.</p> <p>If the Acquisition official notes errors or omissions in the requisition, it is returned to the Business Unit to be corrected and resubmitted.</p>	TLE-07
FM 2.3.1.6	Perform Acquisition Process	Once the contractor has been chosen, an Acquisition official prepares the award documents (such as contracts, purchase orders, and delivery orders). Although	<p>Acquisition performs the procurement process in accordance with applicable regulations (e.g., FAR, agency guidelines).</p> <p>Federal (intragovernmental) buy and sell transactions will be</p>	

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		multiple steps comprise this part of the process, such steps are beyond the scope of this document.	included in a future release of the Standard Business Process document.	
FM 2.3.1.7	Federal Vendor?	The contractor/vendor is identified as either a federal or non-federal vendor.		SMC-01 PMA-01
FM 2.3.1.8	Interagency Assisted Acquisition	Applicable procedures are performed to acquire goods/services through the assistance of another agency or agencies.	<p>Goods/services to be acquired via an interagency assisted acquisition, are subject to the procedures and responsibilities outlined in the OMB Office of Federal Procurement Policy (OFPP) Interagency Acquisition Memo.</p> <p>An interagency acquisition is the term used to describe the process by which one agency (requesting agency), uses the contracts and/or contracting services of other agencies (servicing agencies) to obtain supplies and services.</p>	
FM 2.3.1.9	Initiate and Authorize Award Document	The Acquisition official prepares and authorizes an electronic award document.	<p>Vendors must be registered in the Central Contractor Registration (CCR) database except for contracts and agreements identified in FAR Volume I, Part 4, Subpart 4.11.</p> <p>A unique obligation number is assigned to the award document. The number must reference the commitment number.</p> <p>The obligation number, document ID, and accounting classification elements must be included in the obligation data maintained in the General Ledger and subsidiary ledger.</p>	FME-01 FME-21 PMA-01 PMA-02 PMA-04 PMA-05 PMA-06 PMA-07 PMA-08 PMA-09 PMA-10 PMA-15 PMA-16 PMA-17 SMA-01 SMB-01 SMB-03 SMB-08

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			<p>An award document must not be routed to end-users until an obligation is recorded in the General Ledger and subsidiary ledger. Once the Acquisition official prepares and authorizes the award document, funds checks are performed in the Core Financial System to determine whether required funding is available for each line item of the obligation.</p> <p>The requested obligation amounts are subjected to tolerance checks against the referenced commitment(s).</p>	SMB-24 SMC-01
FM 2.3.1.10	Advance Request?	The agency determines whether an advance has been properly requested on the obligation.	The agency must follow FAR requirements and agency policies and procedures for the issuance of advances. FAR Volume I, Part 32, Subparts 200 through 207, provides regulations for commercial item purchase financing.	
FM 2.3.1.11	Process Advance	An advance request is processed and warehoused for payment.		FME-02 FME-29 SMC-02
FM 2.3.1.12	Obligation Records in General Ledger	An obligation is recorded in the General Ledger.	<p>Once an obligation document passes funding and tolerance checks, it is recorded in the General Ledger and the appropriate amount of the commitment is liquidated.</p> <p>This designated business unit requisition person is notified electronically of the approved order and obligation.</p> <p>The entries are recorded using the USSGL Account Transaction Listing provided in the current TFM.</p>	FME-02 FME-08 FME-12 GLB-01 GLC-01 GLC-05 GLC-06 SMC-02 TLE-07

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			<p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-B306 To record current-year undelivered orders without an advance.</p> <p>TFM-B308 To record current-year undelivered orders with an advance.</p> <p>TFM-B310 To record a current-year undelivered order without an advance where the commitment is more than the undelivered order for commitments in programs subject to apportionment.</p> <p>TFM-B312 To record a current-year undelivered order without an advance where the commitment is more than the undelivered order for commitments in programs exempt from apportionment.</p> <p>TFM-B314 To record a current-year undelivered order without an advance where the commitment is less than the undelivered order for commitments in programs subject to apportionment.</p> <p>TFM-B316 To record a current-year undelivered order without an advance where the commitment is less than the undelivered order for commitments in programs exempt from apportionment.</p>	
FM 2.3.1.13	Award Document Notification	Notification of the system-generated award document is provided to the	The document must be available to applicable offices that perform the receipt, acceptance, and invoice processing activities as	TLE-07

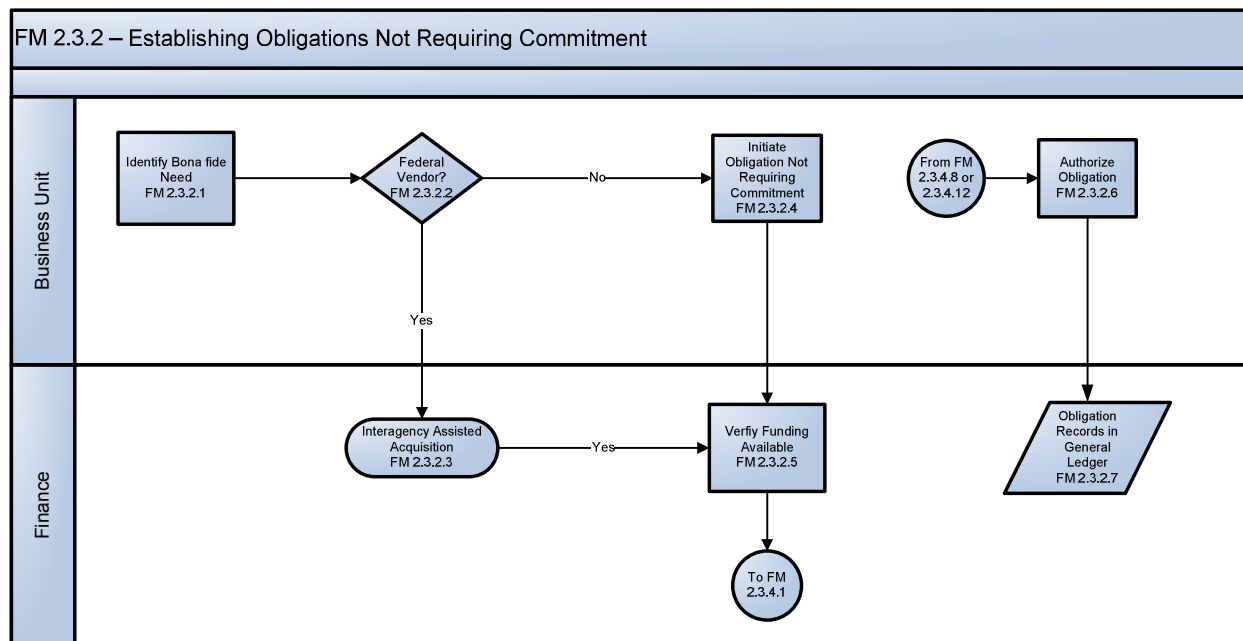
Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		Receiving, Business Unit, and Finance functional areas of the agency and to the vendor/payee.	well as the vendor/payee. The award document copy should include at a minimum, but is not limited to, the obligation number, line item information, accounting classification elements, TAS, applicable vendor information, and contract terms.	
FM 2.3.1.14	Award Document- Receiving View	The Receiving view includes information applicable to the Receiving functions.	The Core Financial System must enable access to the Receiving view of the award document to applicable authorized personnel. A view does not represent physical storage, but the ability to view a particular segment of stored data.	TLF-01 TLH-03
FM 2.3.1.15	Award Document- Business Unit View	The Business Unit view includes information applicable to the Business Unit functions.	The Core Financial System must enable access to the Business Unit view of the award document to applicable authorized personnel. A view does not represent physical storage, but the ability to view a particular segment of stored data.	TLF-01 TLH-03
FM 2.3.1.16	Award Document- Finance View	The Finance view includes information fields applicable to the Finance functions.	The Core Financial System must enable access to the Finance view of the award document to applicable authorized personnel. A view does not represent physical storage, but the ability to view a particular segment of stored data.	TLF-01 TLH-03
FM 2.3.1.17	Award Document- Vendor Copy	The Vendor Copy includes information applicable to the vendor's legal obligation to provide goods and services to the agency.	The vendor copy of the award document is sent to the vendor/payee. A view does not represent physical storage, but the ability to view a particular segment of stored data.	

2.3.2 ESTABLISHING OBLIGATIONS NOT REQUIRING COMMITMENT

Obligations not requiring commitment refers to those events, such as training and travel, which do not require commitment accounting. Agencies should have policies in place that delineate the types of obligations that can be made without commitment accounting.

The steps contained in the flowchart below describe the procedures necessary to prepare an obligation without a prior commitment. Please note that the “Verify Funding Available” step, which is included on the flowchart, is the trigger point for the Funds Validation and Verification flows (2.3.4 and 2.3.5).

FM 2.3.2 – Establishing Obligations Not Requiring Commitment Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Funds Management Establishing Obligations not Requiring Commitments process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.2.1	Identify Bona fide Need	The Business Unit official has a bona fide need for a properly incurred expense not requiring commitment accounting and generates an obligation in the system based on data entered to record the goods, services, grant or cooperative agreement.	Agencies should implement policies and procedures describing which type of obligations may be made without commitment accounting.	FME-21 FME-24 PMA-01 PMA-02 PMA-04 PMA-05 PMA-06 PMA-07 PMA-08 PMA-09 PMA-10 PMA-16 PMA-17 SMA-01 SMB-01 SMB-22 SMB-24
FM 2.3.2.2	Federal Vendor?	<p>The contractor/vendor is identified as either a federal or non-federal vendor.</p> <p>Federal (intragovernmental) buy and sell transactions will be included in a future release of the Standard Business Process document.</p>		SMC-01 PMA-01

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.2.3	Interagency Assisted Acquisition	Applicable procedures are performed to acquire goods/services through the assistance of another agency or agencies.	<p>Goods/services to be acquired via an interagency assisted acquisition are subject to the procedures and responsibilities outlined in the OMB Office of Federal Procurement Policy (OFPP) Interagency Acquisition Memo.</p> <p>An interagency acquisition is the term used to describe the process by which one agency (requesting agency), uses the contracts and/or contracting services of other agencies (servicing agencies) to obtain supplies and services.</p>	

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.2.4	Initiate Obligation Not Requiring Commitment	The Business Unit official prepares the order for goods and services not requiring commitment.	<p>A unique obligation number is assigned to the obligation document recorded.</p> <p>The obligation number, document ID and accounting classification elements must be included in the obligation data maintained in the General Ledger and subsidiary ledger.</p> <p>The Core Financial System must prevent new obligations to inactive or debarred vendors or vendors with expired CCR registrations.</p> <p>An agency may develop and implement policies and procedures to determine threshold amounts under which acquisitions may be made without requiring the recording of commitments.</p>	FME-21 FME-24 PMA-01 PMA-02 PMA-04 PMA-05 PMA-06 PMA-07 PMA-08 PMA-09 PMA-10 PMA-16 PMA-17 SMA-01 SMB-01 SMB-22 SMB-24
FM 2.3.2.5	Verify Funding Available	The Core Financial System checks whether funding is available to obligate funds from applicable budgetary resources. This process is executed by performing the applicable steps in FM 2.3.4 (Unexpired Funds Validation and Verification) as referenced on the flowchart.	<p>Once the Acquisition official electronically prepares the obligating document, funds checks are performed in the Core Financial System to determine whether required funding is available for each line item of the obligation.</p> <p>The system certifies availability of required funding prior to obligating budgetary resources.</p>	FME-01

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.2.6	Authorize Obligation	A request for authorization is electronically routed to the appropriate individual within the Business Unit to authorize the obligation.	Another official within the Business Unit must review the obligation to ensure it is authorized and valid.	TLE-01
FM 2.3.2.7	Obligation Records in General Ledger	An obligation is recorded in the General Ledger.	<p>Once an obligating document passes funding and tolerance checks, it is recorded in the General Ledger.</p> <p>Entries are recorded using USSGL Account Transaction Listing provided in the current TFM.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-B306 To record current-year undelivered orders without an advance.</p> <p>TFM-B308 To record current-year undelivered orders with an advance.</p>	FME-02 FME-08 FME-12 GLB-01 GLC-01 GLC-05 GLC-06

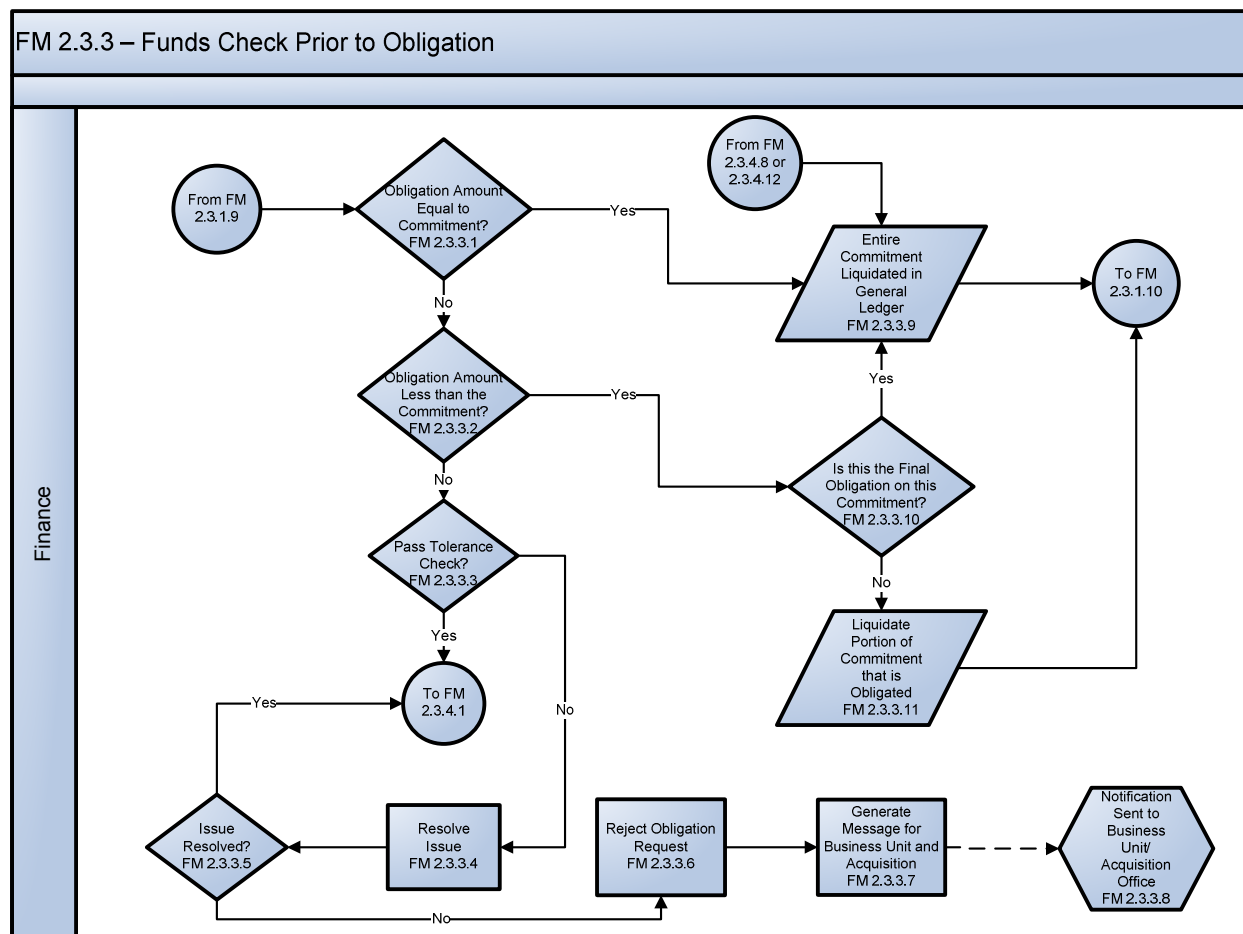
2.3.3 FUNDS CHECK PRIOR TO OBLIGATION

The Funds Check Prior to Obligation process refers to contractual acquisitions for which commitments and obligations are used. Included are steps to compare an obligation request to an underlying commitment, assess availability of funds, and liquidate commitments at the time of obligation.

Please note that the 'yes' response for decision point FM 2.3.3.3 "Pass Tolerance Check?" is the trigger point for the Funds Verification and Validation flows (2.3.4 and 2.3.5).

The steps contained in the flowchart below describe the procedures necessary to perform a funds check prior to the obligation of funds.

FM 2.3.3 – Funds Check Prior to Obligation Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart.

The Funds Management Funds Check Prior to Obligation process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.3.1	Obligation Amount Equal to Commitment?	The amount of the pending obligation is compared to the amount of the applicable commitment to determine if the obligation is equal to the commitment recorded in the Core Financial System.	Once the Core Financial System determines a commitment exists related to this obligation, it determines if the obligation amount equals the commitment amount.	FME-02 SMB-03 SMC-02 SMC-08
FM 2.3.3.2	Obligation Amount Less than the Commitment?	The amount of the pending obligation is compared to the amount of the applicable commitment to determine if the obligation amount requested is less than the commitment recorded in the Core Financial System.	If the obligation amount is not equal to the commitment amount, determine if the obligation amount requested is less than the commitment recorded in the Core Financial System.	FME-02 SMB-03 SMC-02 SMC-08
FM 2.3.3.3	Pass Tolerance Check?	The amount by which an obligation exceeds a commitment is compared line item by line item to pre-determined tolerance levels for quantities and prices of goods or services.	Agencies set tolerance levels in accordance with applicable rules, regulations, and agency guidelines (e.g. FAR, agency policy and procedures).	SMB-19 SMB-20
FM 2.3.3.4	Resolve Issue	Designated personnel perform applicable actions to resolve the funding issue.	Designated personnel resolve funding issues in accordance with applicable rules, regulations, and agency guidelines. If funding is not made available, the obligation request is rejected.	FMD-05 SMB-16 SMB-18 SMC-09
FM 2.3.3.5	Issue Resolved?	If the amount of the obligation request exceeds the tolerance level within the Core Financial System and/or funds are not available, research must	The Core Financial System should route the funding issues to applicable authorized personnel who will either discontinue the transaction or make funds	

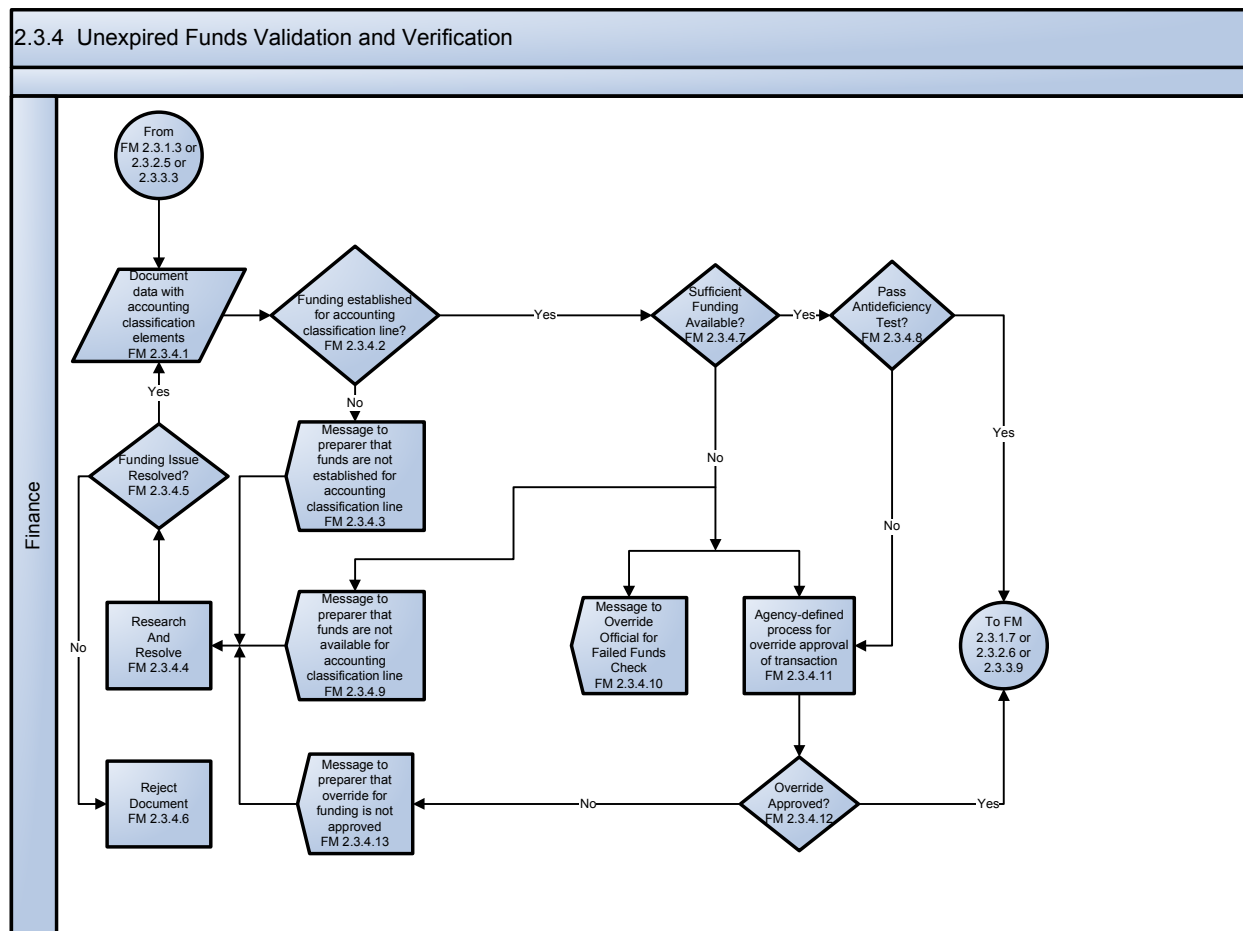
Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		be performed to identify and resolve the funding issue.	available.	
FM 2.3.3.6	Reject Obligation Request	If the issue is not resolved, the obligation request is rejected.	Agencies should designate applicable personnel to monitor obligation requests, which fail to pass funds checks and reject such requests as required.	SMB-18
FM 2.3.3.7	Generate Message for Business Unit and Acquisition	Following the rejection of the obligation request, a message is generated for the Business Unit and Acquisition Office.	The message should be initiated electronically once the obligation request is rejected.	TLE-07 TLE-08
FM 2.3.3.8	Notification Sent to Business Unit/Acquisition Office	Notification is sent to the Business Unit/Acquisition Office of the rejected obligation.	The message should be electronically routed to applicable personnel within the Business Unit and Acquisition Office (e.g., requisitioner, acquisition official).	TLE-07 TLE-08
FM 2.3.3.9	Is this the Final Obligation on this Commitment?	Determine if this is the last obligation to be made from this commitment.	The Core Financial System should check whether funds will remain on the commitment based upon whether the requisitioner has indicated in the system that remaining funds should be de-committed.	
FM 2.3.3.10	Liquidate Portion of Commitment that is Obligated	The portion of the commitment applicable to the obligation is liquidated.	<p>The agency must liquidate the commitment by posting entries to the Core Financial System using the USSGL Account Transaction Listing in the current TFM. The agency reverses (only for the portion of the commitment that is obligated) the previously identified (FM 2.3.1.4, Commitment Records in General Ledger) entries.</p> <p>Examples include but are not limited to, the</p>	SMC-02

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			<p>following transaction codes from the current TFM:</p> <p>TFM-B302 To record a commitment of unobligated amounts in programs subject to apportionment.</p> <p>TFM-B304 To record a commitment of unobligated balances in programs exempt from apportionment.</p>	
FM 2.3.3.11	Entire Commitment Liquidated in the General Ledger	If the obligation and commitment are equal or if the obligation has been identified as the final one to be made against the commitment, the entire commitment or remaining amount is liquidated in the General Ledger.	<p>The agency reverses the previously identified (FM 2.3.1.4, Commitment Records in General Ledger) transaction codes from the current TFM.</p> <p>Examples include, but are not limited to, the following transaction codes from the current TFM:</p> <p>TFM-B302 To record a commitment of unobligated amounts in programs subject to apportionment.</p> <p>TFM-B304 To record a commitment of unobligated balances in programs exempt from apportionment.</p>	

2.3.4 UNEXPIRED FUNDS VALIDATION AND VERIFICATION

Unexpired funds refer to balances, which are still available under the agency's spending authority. As prescribed in OMB Circular A-11, Agencies are responsible for keeping appropriate fund balances, including the balances for commitments, obligations and expenditures, to ensure accurate and timely verification and reporting of available funding. The Unexpired Funds Validation and Verification process describes the steps required to validate and verify the availability of unexpired funds for spending transactions.

FM 2.3.4 – Unexpired Funds Validation and Verification Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart

The Unexpired Funds Validation and Verification process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.4.1	Document data with accounting classification elements	The document represents the detailed account distribution, including appropriate accounting classification elements to be submitted for funds availability verification.	Combinations of accounting classification elements must be valid and active.	SMB-21
FM 2.3.4.2	Funding established for accounting classification line?	Verification that an Allotment or any lower level distribution was made to the Allotment pool indicated by the account distribution (accounting classification line) and the established level of Funds Control as established by the agency as per Appendix H of OMB Circular A-11.	<p>An agency is responsible for establishing a policy for administrative control of Funds.</p> <p>The policy must also address restricting obligations and expenditures from exceeding the lower of the amount of apportionments made by OMB or the amount available for obligation and/or expenditure in the TAFS.</p> <p>See OMB Circular A-11, Appendix H – Checklist For Fund Control Regulations.</p>	FME-01
FM 2.3.4.3	Message to preparer that funds are not established for accounting classification line	Electronic notification to document preparer that funds were never established for the account distribution line.	Business unit to be notified an Allotment or lower level distribution was never established for the accounting classification element specified in the account distribution.	SMB-12 TLE-07 TLE-09
FM 2.3.4.4	Research and Resolve Issues	If funds are not available, the Business Unit will research and resolve the issue.	Designated personnel resolve applicable issues in accordance with applicable rules, regulations, and agency	FMD-05 SMB-16 SMC-09

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			guidelines.	
FM 2.3.4.5	Funding Issue Resolved?	The appropriate functional area determines if funding issues related to the document can be resolved.	The agency shall resolve funding issues in accordance with agency-established policies and procedures.	SMC-09
FM 2.3.4.6	Reject Document	Documents that do not pass funding validation and verification checks are rejected.	<p>Agencies should designate applicable personnel to monitor documents that fail to pass funds checks and reject such documents.</p> <p>The originator of the document is electronically notified that the document has been rejected due to lack of available funding.</p>	SMB-11 SMB-12 SMB-13 SMB-18 SMC-09
FM 2.3.4.7	Sufficient Funding Available?	Verification that an Allotment or any lower level distribution was made to the ‘funding pool’ as indicated by the account distribution (accounting classification line) and the established level of Funds Control as established by the agency as per Appendix H of OMB Circular A-11.	<p>An agency is responsible for establishing a policy for administrative control of Funds.</p> <p>The policy must also address restricting obligations and expenditures from exceeding <i>the lower of</i> the amount of apportionments made by OMB or the amount available for obligation and/or expenditure in the TAFS.</p> <p>See OMB Circular A-11, Appendix H – Checklist for Fund Control Regulations</p>	FME-01 FME-02 FME-03 FME-04 FME-10
FM 2.3.4.8	Pass Antideficiency Test?	Validation that the amount of funding ‘drawn down’ does not	The agency must verify that the amount of the transaction for the fund	FME-01 FME-10

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		put the TAFS into an Antideficiency condition.	code cited, when added together with any and all other fund codes (if applicable) for the specific TAFS does not exceed the overall amount apportioned by OMB.	
FM 2.3.4.9	Message to preparer that funds are not available for accounting classification line	Electronic notification to document preparer that there are insufficient funds available for the account distribution line.	Business unit to be notified that funds are not available and that the Funds Override Official has been notified.	SMB-12 TLE-07 TLE-09
FM 2.3.4.10	Message to Override Official for Failed Funds Check	Electronic notification to the designated Funds Override Official that there are insufficient funds available for the account distribution line.	<p>As a part of providing OMB with the agency's Funds Control policy and regulations, an appropriate individual is identified who is responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reapportionment, the allotment or sub-allotments made by the agency, any statutory limitations, and any other administrative subdivision of funds made by the agency.</p> <p>The agency must also provide procedures for dealing with violations of the Antideficiency Act as well as violations of other administrative subdivision of funds that are not violations of the Antideficiency Act.</p>	TLE-07

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			See OMB Circular A-11, Appendix H – Checklist for Fund Control Regulations.	
FM 2.3.4.11	Agency-defined process for override approval of transaction	Process to allow review and, if appropriate, approval for the transaction. This would occur under a CR or other circumstances where the Funds Override Official is aware of additional funding available to cover the transaction amount so as not to put the TAFS into an Anti-deficiency condition.	<p>As a part of providing OMB with the agency's Funds Control policy and regulations, an appropriate individual is identified who is responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reappportionment, the allotment or sub-allotments made by the agency, any statutory limitations, and any other administrative subdivision of funds made by the agency.</p> <p>The agency must also provide procedures for dealing with violations of the Antideficiency Act as well as violations of other administrative subdivision of funds that are not violations of the Antideficiency Act.</p> <p>See OMB Circular A-11, Appendix H – Checklist for Fund Control Regulations.</p>	SMB-10
FM 2.3.4.12	Override Approved?	If override approval has occurred, the transaction posts to the General Ledger. If override approval has	The agency Funds Override Official must ensure sufficient applicable funding is available prior to	SMC-09

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
		not occurred, notification is sent to the Business Unit and the transaction is cancelled.	allowing the transaction to record to the General Ledger.	
FM 2.3.4.13	message to preparer that override for funding is not approved	Electronic notification to document preparer that override approval was not granted.	Business Unit to be notified that funds are not available and that the Funds Override Official has not approved the override transaction.	TLE-07 TLE-08

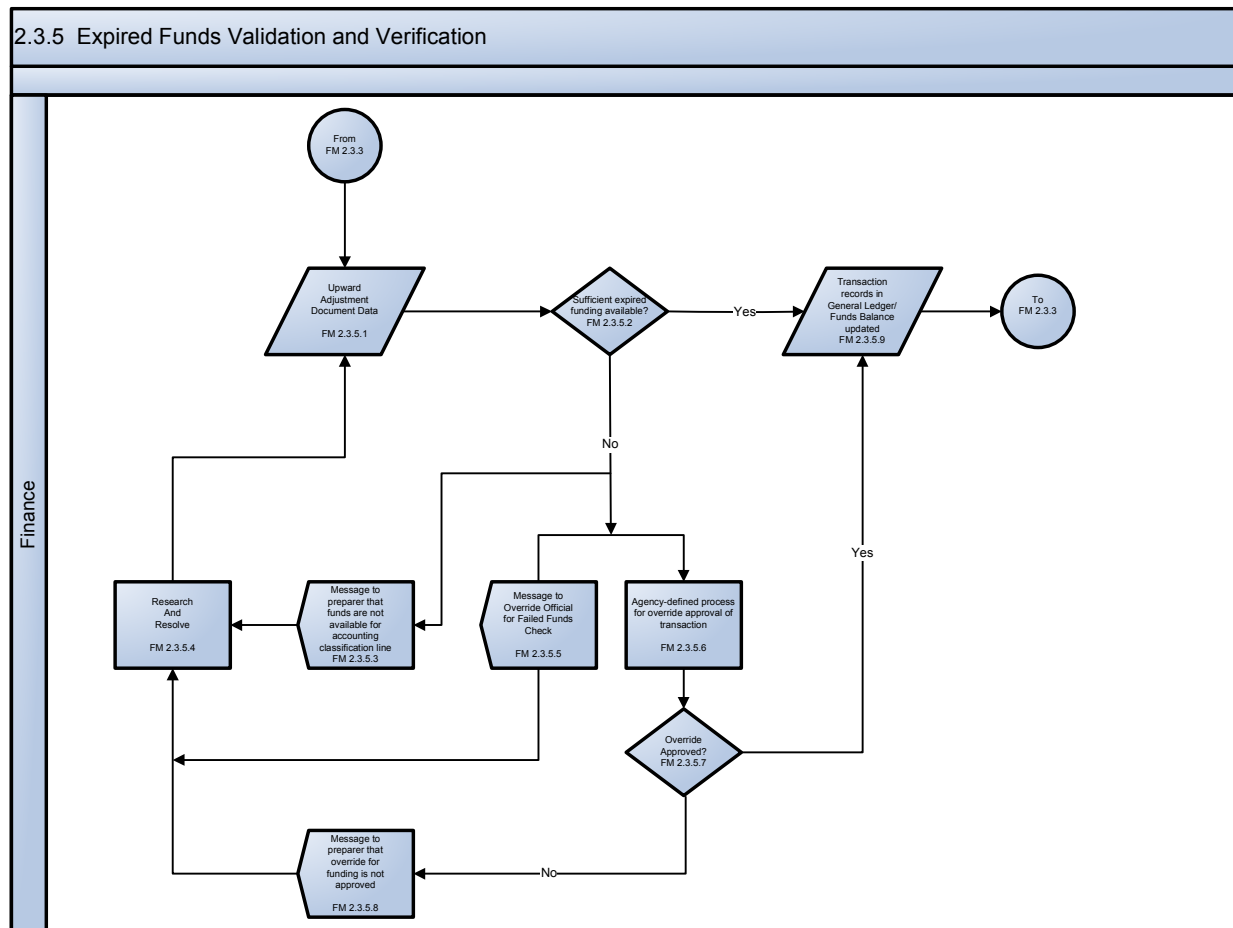
2.3.5 EXPIRED FUNDS VALIDATION AND VERIFICATION

Expired funds refer to balances that are no longer available under the agency's spending authority. However, agencies are still responsible for keeping appropriate fund balances for expired funds to ensure accurate and timely verification and reporting of expired/cancelled funding. The process requires validating and verifying the availability of expired funds for the recording of previously unrecorded obligations and/or making legitimate upward adjustments to existing obligations until the expired authority is cancelled and the expired account is closed.

Please see OMB Circular A-11 for additional guidance.

Note: Verification of available funding in expired accounts is performed at the fund account or TAFS level as opposed to the detailed Allotment pool or accounting classification line level for the year-end closing entries (e.g., when a fund account expires and rolls up all unobligated balances to USSGL account 4650 Allotments – Expired Authority).

FM 2.3.5 – Expired Funds Validation and Verification Flowchart



See Appendix C – Business Process Flowcharts, Symbols, and Definitions for an enlarged version of the flowchart

The Expired Funds Validation and Verification process steps are described as follows:

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
FM 2.3.5.1	Upward Adjustment Document Data	The detailed upward adjustment data to be submitted to funds availability verification.	The detail data from the document being processed and submitted for a funds check.	SMB-21
FM 2.3.5.2	Sufficient expired funding available?	Verification that there is sufficient monies available in the Allotments-Expired Authority account to cover the upward adjustment to an existing obligation.	An agency is responsible for establishing a policy for administrative control of Funds.	FME-02 FME-03 FME-04 FME-10 SMB-11 SMB-12 SMB-13 SMC-09
FM 2.3.5.3	Message to preparer that funds are not available for accounting classification line	Electronic notification to document preparer that there are insufficient funds available for the account distribution line.	Business Unit to be notified that funds are not available and that the Funds Override Official has been notified.	TLE-07 TLE-08
FM 2.3.5.4	Research and Resolve Issues	If funds are not available, the Business Unit will research and resolve the issue.	Designated personnel resolve applicable issues in accordance with applicable rules, regulations, and agency guidelines.	FMD-05 SMB-16 SMC-09
FM 2.3.5.5	Message to Override Official for Failed Funds Check	Electronic notification to the designated Funds Override Official that there are insufficient funds available for the account distribution line.	As a part of providing OMB with the agency's Funds Control policy and regulations, an appropriate individual is identified who is responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reappportionment, the allotment or sub-allotments made by the agency, any statutory limitations, and any	TLE-07 TLE-08

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			<p>other administrative subdivision of funds made by the agency.</p> <p>The agency must also provide procedures for dealing with violations of the Antideficiency Act as well as violations of other administrative subdivision of funds that are not violations of the Antideficiency Act.</p> <p>See OMB Circular A-11, Appendix H - Checklist for Fund Control Regulations.</p>	
FM 2.3.5.6	Agency-defined process for override approval	<p>Process to allow review and, if appropriate, approval for the transaction. This would occur under a CR or other circumstances where the Funds Override Official is aware of additional funding available to cover the transaction amount so as not to put the TAFS into an Antideficiency condition.</p>	<p>As a part of providing OMB with the agency's Funds Control policy and regulations, an appropriate individual is identified who is responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reappportionment, the allotment or sub-allotments made by the agency, any statutory limitations, and any other administrative subdivision of funds made by the agency.</p> <p>The agency must also provide procedures for dealing with violations of the Antideficiency Act as well as violations of other administrative</p>	TLE-01

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			subdivision of funds that are not violations of the Antideficiency Act See OMB Circular A-11, Appendix H - Checklist for Fund Control Regulations	
FM 2.3.5.7	Override Approved?	If override approval has occurred, the transaction posts to the General Ledger. If override approval has not occurred, notification is sent to the Business Unit and the transaction is cancelled.	The agency Funds Override Official must ensure sufficient applicable funding is available prior to allowing the transaction to record to the General Ledger.	SMB-18
FM 2.3.5.8	Message to preparer that override for funding is not approved	Electronic notification to document preparer that override approval was not granted.	Business Unit to be notified that funds are not available and that the Funds Override Official has not approved the override transaction.	TLE-07 TLE-08
FM 2.3.5.9	Transaction records in General Ledger/Funds Balance updated	The transaction is recorded in the General Ledger.	The transaction is recorded in the General Ledger. At the same time, the appropriate funds balances are also updated thereby keeping the balances in line with the General Ledger. Examples include, but are not limited to, the following transaction codes from the current TFM: TFM-D126 To record an upward adjustment to prior-year paid delivered orders.	FME-02 FME-04 FME-08 FME-10 FME-12 GLB-01 GLC-01 GLC-04 GLC-05 GLC-06 GLD-01 GLD-02 GLD-03 GLD-04 GLD-05 GLD-06 GLD-07 SMC-02

Step ID	Step Name	Step Description	Business Rules	CFSR Req.
			TFM-D106 To record an upward adjustment of prior-year unpaid delivered orders and to accrue additional liability when the adjustment is not recorded as a prior-period adjustment (USSGL account 7400 or 7401). The authority has expired.	